2016 BUDGET
AND FIVE-YEAR FINANCIAL PLAN

CITY OF
VANCOUVER

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MESSAGE FROM THE CITY MANAGER

I'm pleased to present the 2016 Budget and Five-Year Financial Plan. This report outlines the City of Vancouver's efforts to create a world-class community for our businesses and residents today, and in the future.

Experts, including Mercer Human Resources and the Economist Intelligence Unit, agree that Vancouver is one of the most livable cities in the world. In 2014, KPMG ranked Vancouver as the second-most tax-competitive city in the world. Despite these successes, affordability remains a challenge for our community.

Highlights for the 2016 Budget include:

- Considerable progress on many key Council Priorities as we continue to meet the goals laid out in strategic plans including the Housing and Homelessness Strategy 2012-2021, Greenest City 2020 Action Plan, Digital Strategy, Transportation 2040 Plan, Healthy City Strategy and Vancouver Economic Action Strategy;
- Municipal property tax and utility fees remain competitive with other Metro Vancouver municipalities. Vancouver has had the second-lowest, five-year average property tax increase in Metro Vancouver; and
- A five-year financial plan that will enable future strategic planning and decisions around investments and business transformation opportunities; to support those plans, the City is committed to leveraging federal and provincial funding around topics like housing, transportation and infrastructure.

The economic future for the City is bright, the five-year plan indicates there is more work ahead to improve how we deliver services, and grow our revenues. The Conference Board of Canada forecasts that Vancouver and its region will lead the nation in economic growth from 2016 to 2019. This strong economic outlook will drive job growth and see the unemployment rate fall from 6.8% in 2012 to 4.7% by 2019. Considerable growth will continue to strain City resources; creative and innovative City service delivery will be essential in the years ahead, as we look to sustain our growth as a city.

In 2016, Vancouver will remain on the world stage for our commitment to 100% renewable energy, internationally known urban planning approach, our vibrant multicultural communities – and our continued hosting of prestigious events like the Canada Sevens Vancouver (World Cup Rugby Sevens Series), the Americas Masters Games 2016 and TED 2016: Dream Conference.

With this document, our goal is to provide a clear explanation of the City's fiscal plans toward achieving strategic plans and Council priorities. Our Corporate Management Team and City employees are working hard to ensure Vancouver continues to remain a world-class city and a great place to live, work and play.

Sadhu Johnston

City Manager (Acting)

2016 Budget and Five-Year Financial Plan Highlights

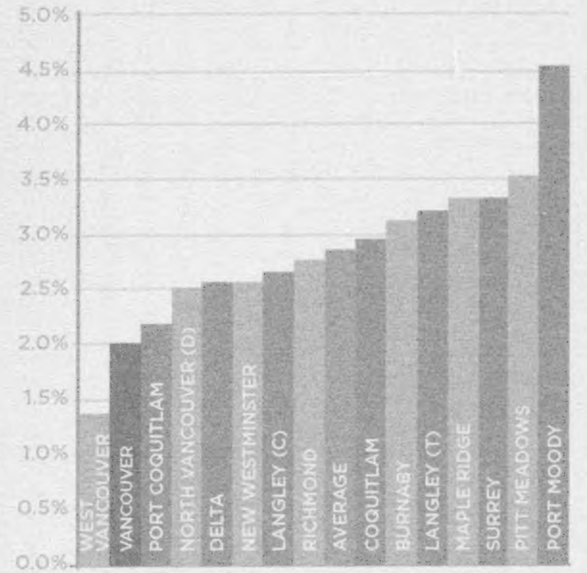
Building the City of Today and Tomorrow

The City of Vancouver plays a leading role in enabling a thriving business environment and supporting its citizens to enjoy and contribute to building a world-class community that is highly livable and sustainable today and in the future.

The City is accomplishing this in a fiscally responsible manner while making significant progress on key priorities including:

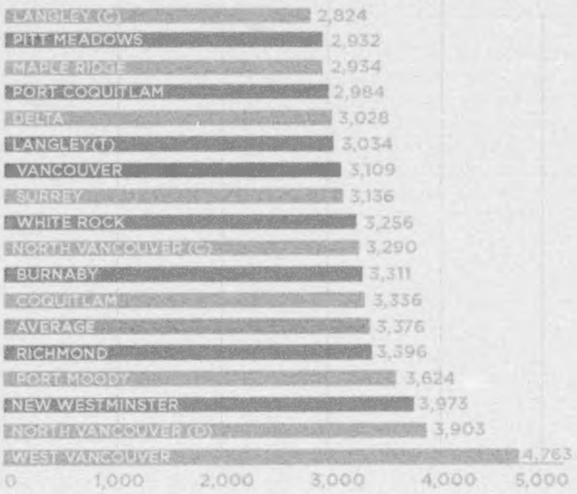
- 2012–2021 Housing and Homelessness Strategy
- Greenest City 2020 Action Plan
- Digital Strategy
- Transportation 2040 Plan
- Healthy City Strategy
- Vancouver Economic Action Strategy

Five-Year (2011–2015) Average Property Tax Increase (%)



Comparing five-year average property tax increase, Vancouver is the second-lowest in the region.

2015 Combined Municipal Property Tax and Utility Fees for Median Single-Family Home ($)



*Utility fees for certain municipalities based on Provincial Local Government Statistics Taxes & Charges on a Representative House (cscd.gov.bc.ca/lgd/infra/library/Schedule704_2015.xls)

Comparing median single-family homes, Vancouver tax and utility fees are mid-range in Metro Vancouver.

Metro Vancouver has been ranked the second-most tax competitive city in the world (KPMG, 2014). In 2016–2019, Metro Vancouver is expected to lead the nation in economic growth (Conference Board of Canada).

To build on this economic strength, in 2016 and beyond, the City of Vancouver will:

- Leverage increased federal and provincial funding for infrastructure and social investments including Broadway Transit, affordable housing, and childcare
- Enhance the livability and quality of life for citizens and support economic development while keeping property tax, utility and user fees' competitive

The City has already:

- Received one of the strongest credit ratings for a Canadian city (AAA/AA+)

- Reduced the business property tax share from 52% to 43% and improved the business tax ratio from 6.0 to 4.1 over the past 10 years, one of the most substantial improvements among major Metro Vancouver municipalities
- Stabilized the long-term debt profile through vigorous debt management
- Developed strategic service plans supported by performance metrics to deliver Council and community priorities, which inform the City's short, medium, and long term financial and capital plans
- Created, for the first time, a five-year financial plan that will enable strategic planning and decisions around investments and business transformation opportunities

2016 Budget Summary

2016 Average Increases — City Property Tax, Fees and Charges

Property Tax	2.3%
Utility Fees	
Water	4.2%
Sewer	9.9%
Solid Waste	0%
Median single-family home combined municipal property tax and utility fees	3.2%
Recreation user fees	1.4%
Most other user fees	2.0%
Permit fees*	5.0%

*2015 fee review

Indicative City Property Tax Impact

Assessed Value of Property (without Land Assessment Averaging)	Estimated 2016 Tax Bill (CoV Portion)	Change over 2015
Median strata unit assessed at $442,000	**$793**	**$18**
Median residential unit assessed at $783,000	**$1,405**	**$32**
Median single-family unit assessed at $1,121,000	**$2,011**	**$45**
Median commercial property assessed at $589,000	**$4,287**	**$96**

Uniquely placed in the Lower Mainland, the City of Vancouver funds a broad range of services, programs and events that are enjoyed by residents and non-residents who live, work and visit here.

Indicative City Property Tax and Utility Fee Impact

	Median Single-Family $1,121,000		Median Business Property $589,000	
	ESTIMATED 2016 TAX BILL (CoV PORTION)	CHANGE OVER 2015	ESTIMATED 2016 TAX BILL (CoV PORTION)	CHANGE OVER 2015
Property Taxes (2.3% increase)	**$2,011**	**$45**	**$4,287**	**$96**
Utility Fees				
Solid Waste	$261	—	$209	—
Sewer	$345	$31	$352	$32
Water	$592	$24	$549	$22
Total Utility Fees	**$1,198**	**$55**	**$1,110**	**$54**
Total City Taxes and Fees	$3,209	$100	$5,397	$150

Balanced Operating Budget: $1,264 million

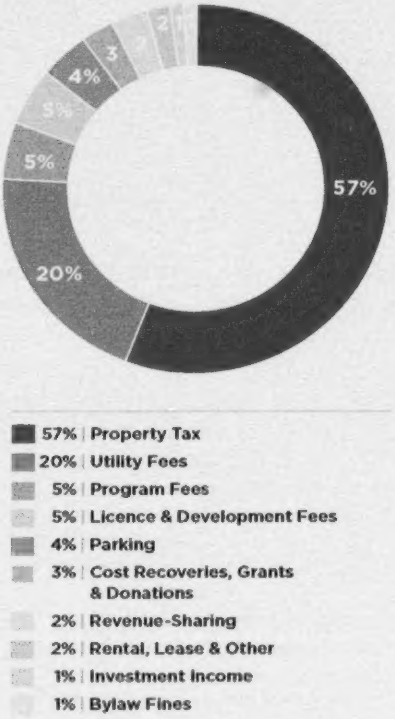
OPERATING REVENUES

- **3.4%** increase in total revenue
- **$23.4 million** increase in property tax revenue
- **$10.5 million** increase in utility revenue

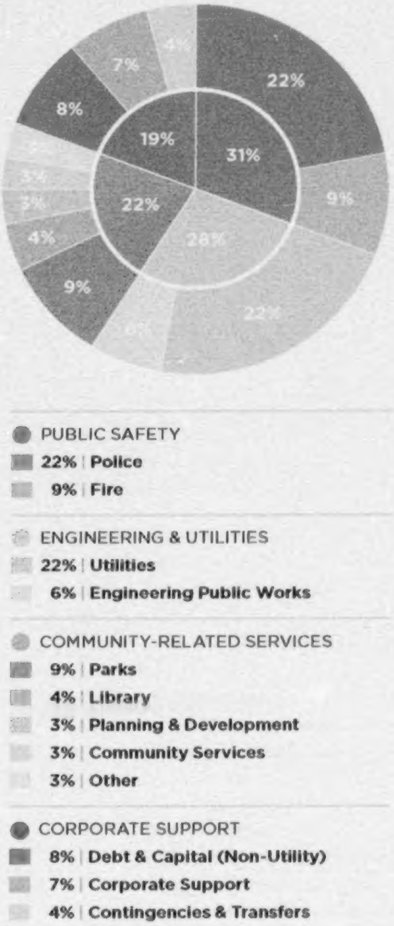
OPERATING EXPENDITURES

- **3.4%** increase in total expenditures
- **$10.9 million (1.1%)** increase in utility program expenditures:
  - **$4.4 million** increase for Metro utility charges (including sewer costs for site preparation for secondary treatment at Iona)
  - **$6.5 million** increase for renewal of critical City utility infrastructure (including sewer separation, water conservation, and transition from debt financing to realize future interest savings)
- **$18.6 million (1.4%)** increase in costs to maintain existing non-utility services
- **$11.6 million (0.9%)** investment in new and enhanced services:
  - **$2.8 million** for enhancements relating to public realm cleanliness
  - **$2.1 million** investment to reduce permit wait times
  - **$1.9 million** for Public Safety enhancements (new fire boats, fire trucks and VPD digital evidence software)
  - **$1.0 million** to enhance Park Board recreation program registration process

2016 Operating Revenues ($1,264 million)



2016 Operating Expenditures by Service Area ($1,264 million)



In our 2016 Budget survey, 74% of businesses thought the value of service provided by the City had increased or stayed the same—an increase of 8% over 2015 Budget survey results.

Key Capital Investments in 2016: $325.2 million

$29.5 MILLION IN AFFORDABLE HOUSING

- Social housing in Southeast False Creek Area 3B **$12 million**
- Acquiring land in the River District for affordable housing **$8.1 million**
- Capital grants for non-City owned social housing units **$2.5 million** and Single Room Occupancy units **$0.5 million**
- Planning for Roddan Lodge (Housing) renewal in conjunction with Evelyne Saller Centre (Social) **$1.8 million**

$138.2 MILLION IN UTILITIES AND TRANSPORTATION

- Sewer main replacement (separation) **$30 million**
- Water distribution main and transmission main replacement **$10 million**
- Georgia Dunsmuir Viaduct Removal Phase I Planning **$8.1 million**
- Burrard Bridge upgrades **$16 million**

$39.2 MILLION IN PARKS, OPEN SPACES AND RECREATION

- New parks and park renewal **$4.7 million**
- Vancouver Art Gallery Envelope and plaza **$4.6 million**
- Killarney Seniors Centre **$2.5 million**
- Phase 1 Britannia Community Centre redevelopment **$0.5 million**
- Preliminary planning and public consultation for the Marpole-Oakridge Community Centre renewal **$0.2 million**

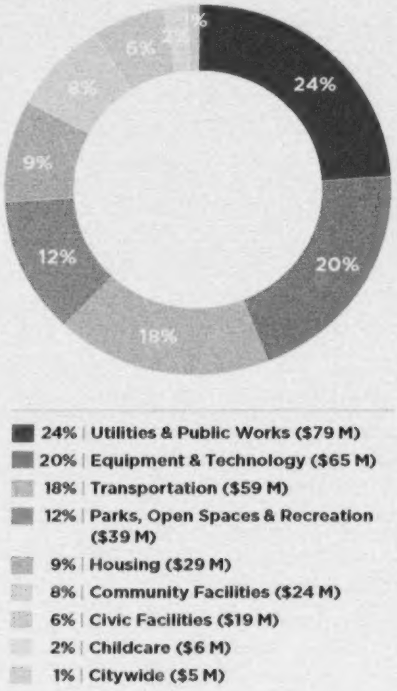
$42.5 MILLION IN CIVIC AND COMMUNITY FACILITIES

- **nə́c̓aʔmat** ct Strathcona Branch Library **$11 million**
- Replacement of Firehall No. 5 **$5 million**
- Seismic upgrades at 515 West 10th Avenue **$3.5 million**
- Chinese Society Buildings matching grant: **$1.5 million**

$ 64.9 MILLION EQUIPMENT AND TECHNOLOGY

- Fire truck replacement **$27.8 million**
- Vehicles and equipment replacement program **$12 million**
- Permit and Licence Transformation Program **$3.5 million**

2016 Capital Budget Expenditures ($325.2 million)



PART I: THE CITY OF VANCOUVER'S FISCAL PLAN

BUDGETING FOR RESULTS

The City of Vancouver plays a leading role in enabling a thriving business environment and supporting its citizens to enjoy and contribute to building a world-class community that is highly livable and sustainable now and in the future. This means ensuring the right level of programs and services are provided by the City, at the right cost. This proposed budget advances key priorities that continue to make Vancouver a great place to live, work and play, including:

- Ensuring a strong economy;
- Being the greenest city in the world;
- Focusing on housing and affordability;
- Being a safe, creative and inclusive community; and,
- Maximizing the value the City receives for the money spent.

Achieving important City goals within an affordable budget requires that each dollar is carefully managed and wisely invested.

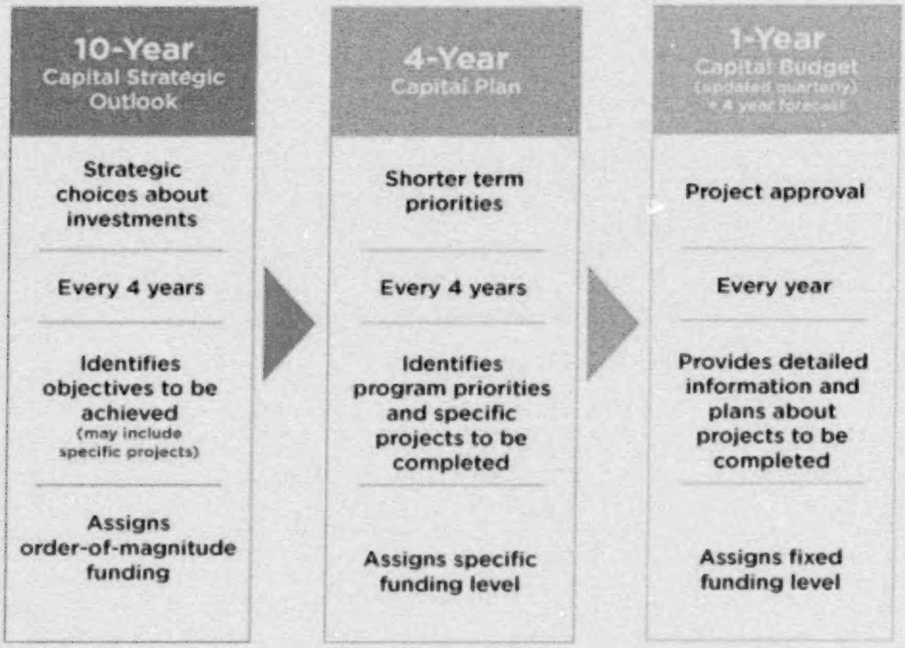
Department service plans help achieve the City's long-term goals. The allocation of fiscal resources is aligned with Council and City priorities, designed to drive results as measured through service performance metrics. Departmental service plans and related performance metrics are included in the City's annual budget report.

FUNDING THE BUDGET

Vancouver, like other Canadian cities, provides a broad range of services and funds them from a limited revenue stream with only three main sources: property taxes, utility fees and user fees — which include items such as parking meter fees, licences (dog licences, business licences, etc.), permits (parking, building, etc.), as well as City-run recreation programs including pools, rinks and fitness centres.

More than half of the City's budgeted operating revenues come from property taxes paid by residents and businesses, almost one-quarter are received from fees and other revenues, with the remainder received from utility fees.

All spending in the annual capital budget is guided by the City's 10-year Capital Strategic Outlook. It outlines the long-term vision for capital investments in public amenities and infrastructure, in addition to guiding development of the four-year capital plan. The capital plan defines the financial capacity and debt-financing strategy for advancing specific capital projects within the capital plan timeframe.



10-Year Capital Strategic Outlook	4-Year Capital Plan	1-Year Capital Budget (updated quarterly) + 4 year forecast
Strategic choices about investments	Shorter term priorities	Project approval
Every 4 years	Every 4 years	Every year
Identifies objectives to be achieved (may include specific projects)	Identifies program priorities and specific projects to be completed	Provides detailed information and plans about projects to be completed
Assigns order-of-magnitude funding	Assigns specific funding level	Assigns fixed funding level

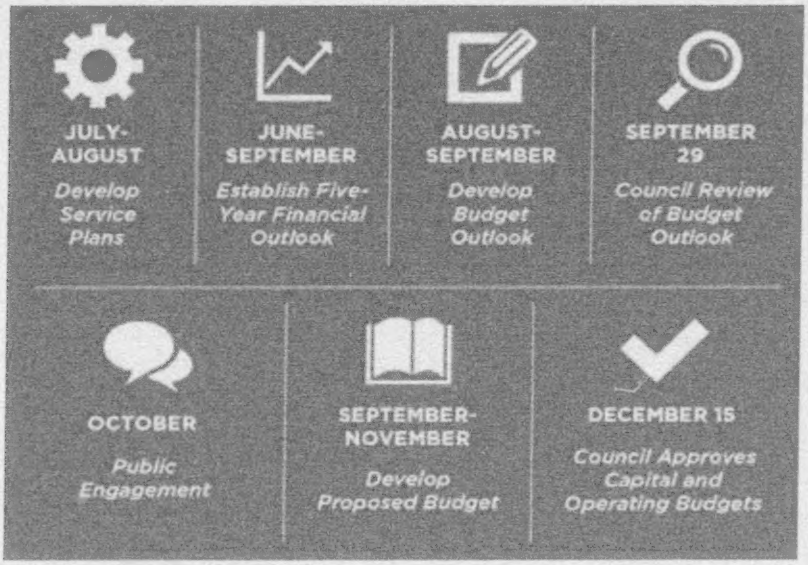
Funding for the capital budget is identified in the four-year capital plan and assigned to projects in the annual budget. The City funds capital investments from a range of payment sources using a balanced mix of payment methods.

Funding sources (who pays) include: property taxes and user fees; development contributions (Development Cost Levies and voluntary Community Amenity Contributions); partner contributions from provincial and federal governments; other agencies; non-profit organizations; foundations; and philanthropists (particularly in the areas of affordable housing and childcare).

Payment methods (when to pay) include: pay-in-advance funding from capital reserves, pay-as-you-go funding from current revenues and user fees, and debt financing that is repaid over time. The City takes a careful approach to its use of debt, which is reflected in its consistently strong credit ratings and favourable borrowing rates. In 2015, Standard & Poor's upgraded the City's debt rating from AA to AA+. The City continues to maintain its AAA debt rating from Moody's, which improved its outlook for the City from negative to stable.

KEY STEPS IN THE 2016 BUDGET PROCESS

The figure below highlights the key activities for consideration by Council through the annual budget process.


JULY-AUGUST
Develop Service Plans
JUNE-SEPTEMBER
Establish Five-Year Financial Outlook
AUGUST-SEPTEMBER
Develop Budget Outlook
SEPTEMBER 29
Council Review of Budget Outlook
OCTOBER
Public Engagement
SEPTEMBER-NOVEMBER
Develop Proposed Budget
DECEMBER 15
Council Approves Capital and Operating Budgets

- Across each of the City's operating areas, Department Service Plans identify major accomplishments in 2015, plans for 2016, and a look ahead to the 2017-2020 period. They also include an overview of budget information by department, outlining notable capital projects where applicable. Service plans inform budget allocation decisions and are a key component in balancing the five-year financial plan.
- The multi-year financial and capital planning framework is based on a set of financial sustainability guiding principles and financial health targets guiding the allocation of resources to fund service plans and the annual budget.
- The Budget Outlook provides the context and factors that influence development of the 2016 Budget and five-year financial plan. It describes last year's budget, current Council priorities and financial considerations for the annual budget and five-year financial plan.
- Public engagement plays a role in informing decisions made by City Council and staff on budget allocation decisions and the five-year financial plan.
- The Budget Report consolidates the proposed annual budget and five-year financial plan and is accompanied by service plans and performance metrics for the upcoming year.

SERVICE PLANNING AND BUDGET PROCESS

The City's Service Planning and Budget process is designed to ensure the City uses public money in the most effective manner — also known as value-for-money — while ensuring the City's short-term goals and long-term financial health are sustained. More specifically, the process is designed to achieve the following objectives:

1. Meet the City's responsibilities and achieve its strategic priorities;
2. Spend only what the City can afford;
3. Create more value for money; and,
4. Track results compared to plans.

To achieve these objectives, City staff have incorporated leading practices into the budget development process. These practices, recommended by PriceWaterhouseCoopers following a 2012 review of the City's budget process, include:

- **Linking budget to strategy** — Using a financial framework to outline the City's financial health, set financial goals and guide budget allocation before the budget process begins;
- **Enhancing public consultation** — Conducting a pre-budget consultation every four years, aligned with the capital program, to inform the City's goals as well as the budget;
- **Providing relevant budget information** — Aligning performance metrics to the City's strategic goals, operating and capital information, as well as budgeting for all City funds and entities. Providing relevant budget information is also about making budgets and financial statements clear so all readers can follow along, and tailoring information to the needs of different audiences — including City Council, members of the City's Corporate Management Team, and the public; and,
- **Streamlining the budget process** — Minimizing budget versions and reviews; integrating operating and capital budget processes; and integrating the budget process with other Citywide planning and performance management processes.

BUDGET PROCESS CHANGES IN 2016

With the 2016 Budget, staff have built on the best practices recommended by PriceWaterhouseCoopers and have introduced a five-year balanced financial plan to ensure Council priorities are addressed while enabling proactive planning for business transformation opportunities and emerging risks and reducing reliance on shorter-term, reactive responses to budgetary challenges.

Introduction of a five-year financial plan

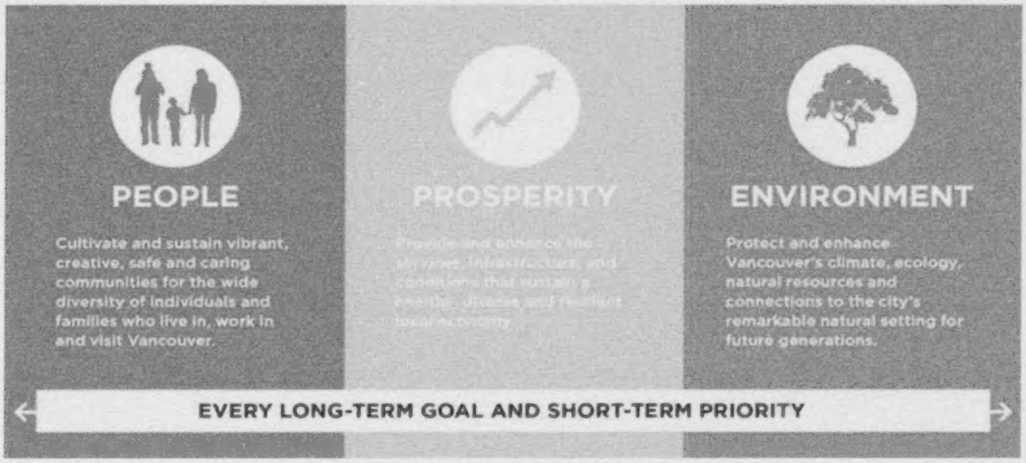
The City of Vancouver is regulated under the Vancouver Charter, a provincial statute. Other municipalities in the province are regulated under the British Columbia Community Charter. While the Vancouver Charter requires only that the City present a one-year budget, other local municipalities present five-year financial plans as required by the BC Community Charter. Over the past few years, the City has been including a three-year financial view in its annual budget document. Going forward, to better align with best practices, the budget presented to Council will include a financial plan covering a five-year period. For this year, that period is from 2016-2020.

CITY OF VANCOUVER OVERVIEW

LONG-TERM PRIORITIES AND STRATEGIC GOALS

The City's strategic plans and priorities inform the 2016-2020 Budget and five-year financial plan. Priorities include the City's Housing Initiative, Greenest City 2020 Action Plan, Digital Strategy, Transportation 2040 Plan, Healthy City Strategy, and Vancouver Economic Action Strategy. Public consultation, conducted during development of these plans, helps inform the budget in directing spending toward services Vancouverites want and need.

Council supports the City's mission "to create a great city of communities that cares about its people, its environment, and the opportunities to live, work and prosper" by aligning spending with programs that support Vancouver's people, environment and prosperity.


PEOPLE
Cultivate and sustain vibrant, creative, safe and caring communities for the wide diversity of individuals and families who live in, work in and visit Vancouver.
PROSPERITY
Provide and enhance the services, infrastructure, and conditions that sustain a healthy, diverse and resilient local economy.
ENVIRONMENT
Protect and enhance Vancouver's climate, ecology, natural resources and connections to the city's remarkable natural setting for future generations.
EVERY LONG-TERM GOAL AND SHORT-TERM PRIORITY

PEOPLE

City's Goal: Cultivate and sustain vibrant, creative, safe, and caring communities for the wide diversity of individuals and families who live in, work in and visit Vancouver.

As the eighth-largest city in Canada, Vancouver is also one of Canada's most diverse, with neighbourhoods that are hubs of cultural richness. City Council has prioritized the issues of housing, environmental sustainability and health, and the inclusion of people regardless of sexual orientation and identity. These priorities demonstrate Vancouver's commitment to creating a safe, inclusive and creative community.

Vancouver is also one of the most densely populated cities in Canada, with 5,600 people per square kilometre. Its growing population and limited land base have given rise to unique issues related to affordability, economic activity and the availability of land for housing.

Council has prioritized the issues of housing, environmental sustainability, a vibrant economy, and a safe, inclusive and creative community. Council's direction is reflected in key strategic plans that support Vancouverites, encouraging them to engage with the City, and providing direction to policy development and resource allocation.

These strategic plans include:

- 2012 Report on Mayor's Taskforce on Housing Affordability;
- Healthy City Strategy — Phase 2;
- Culture Plan for Vancouver 2008-2018;
- Vancouver Immigration Partnership;
- 2011–2021 Capital Strategic Outlook;
- Greenest City 2020 Action Plan;
- Vancouver Economic Action Strategy;
- Transportation 2040 Plan;
- Digital Strategy;
- Report of the Engaged City Task Force;
- 2011 Regional Growth Strategy;
- 2014–2018 Cultural Plan;
- Park Board Strategic Plan;
- Library Board Strategic Plan;
- Police Board Strategic Plan; and,
- Mayor's Task Force on Mental Health and Addiction

PROSPERITY

City's Goal: Provide and enhance the services, infrastructure and conditions that sustain a healthy, diverse, and resilient local economy.

Vancouver is fortunate to have one of the most diverse and resilient economies in North America. A strong foundation in the natural resource sector, augmented by a strong tourism brand and the growing and unmistakable prominence of Vancouver's technology community all contribute to the City's continued economic growth, prosperity and liveability.

Vancouver is a major regional transportation hub and a gateway to Asia. It is home to Port Metro Vancouver — the busiest and largest port in Canada — and in close proximity to the Vancouver International Airport, often rated as one of the world's best. Vancouver's well-educated, highly skilled and culturally diverse labour force further reinforces its competitive position in the global market.

Council has prioritized economic development by promoting and strengthening local businesses, while making the City an attractive destination for businesses from around the world.

The Vancouver Economic Action Strategy, spearheaded by the Vancouver Economic Commission, focuses on bringing about change that will improve Vancouver's business climate, support existing local businesses, facilitate new investment and attract the talented global workforce that is so essential to the city's future economic success. The strategy places particular emphasis on Vancouver's global leadership in creative industries and clean technology, as well as opportunities for greening local businesses.

ENVIRONMENT

City's Goal: Protect and enhance Vancouver's climate, ecology, natural resources and connections to the city's remarkable natural settings for future generations.

Vancouver is located in a beautiful natural setting. Council supports protecting and enhancing Vancouver's climate, ecology and natural resources for future generations, and has made "becoming the world's greenest city" a top priority.

The City's Greenest City 2020 Action Plan has measurable and ambitious targets for reducing carbon and waste and improving ecosystems. This plan addresses goals and issues across diverse areas, including citywide carbon emissions, waste production and water consumption; it has also put Vancouver on the path to sustainability in most areas of city life and work.

ECONOMIC CONTEXT

A healthy economy encourages viable businesses, sustainable employment, and helps retain professionals, families and individuals to live and work in Vancouver.

When developing the long-term financial and capital plan (which informs the 2016-2020 service plan and 2016 Budget), the City considers local, regional and global economic factors, which are constantly changing. Understanding the necessary economic context allows the City to plan for near-term risks and uncertainties while targeting for long-term financial sustainability and resilience.

The economic outlook commentary for Metro Vancouver, British Columbia and Canada in the following sections is drawn from the Conference Board of Canada's *Metropolitan Outlook* Autumn 2015 report which forecasts key economic indicators through 2019.

LOCAL CONTEXT

A key measure of the economy is Gross Domestic Product (GDP). Sustained GDP growth leads to more business investment, stronger job growth, higher-paying wages, robust residential and office development, and a growing property tax base.

Over the next four years, Metro Vancouver is projected to have some of the highest economic growth among major Canadian municipalities. Real GDP growth is expected to reach 3.5% on average from 2015-2017, before retreating to 3.0% in 2018 and further to 2.1% in 2019.[1] Inflation is projected to be 1.4% in 2015, accelerating to 2.3% in 2016, and stabilizing at 2.1% on average from 2017-2019.[1]

The strong economic outlook would drive job growth in the coming years, with the unemployment rate projected to fall from 6.8% in 2012 to 6.0% in 2015, and further to 4.7% by 2019.[1] Annual population growth is expected to be 1.3% in 2015, increasing to 1.5% in 2016 and further to 1.8% on average from 2017-2019.[1] A growing population, stronger employment and improving household income is expected to continue fuelling housing demand and consumer spending.

In 2013, the City had a record year for housing starts with 6,070 units. In 2014, housing starts cooled to 4,650 units. In the first eight months of 2015,[2] they reached 3,020 units, much closer to the average historical level. Even with an increase in housing completion from 4,370 units in 2012 to 4,600 units in 2013 and 5,770 units in 2014,[2] a growing population and stronger job market will continue putting pressure on housing demand and affordability for the foreseeable future.

By contrast, after falling 2.0% to 18,700 units in 2013, Metro Vancouver's housing starts have since recovered, increasing 3.0% to 19,200 units in 2014. It is projected the trend will continue, increasing 8.0% — to 20,800 units in 2015 — before stabilizing at 20,600 units on average from 2016-2019.[1]

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[1] Conference Board of Canada: *Metropolitan Outlook*, Autumn 2015

[2] Canada Mortgage and Housing Corporation; Housing Now

Across the city, non-residential construction has been robust in recent years. More than 14 million square feet of new office space will be added over the next few years. Projects currently underway include Exchange Tower on Howe Street, TELUS Garden on Robson Street, Burrard Place on Burrard Street, and the East Tower near Rogers Place, among others.

2015 Federal Election and Implications for the City of Vancouver

Between January and October 2015, the federal Conservative government announced several multi-year funding programs including the Building Canada Fund and the Public Transit Fund. The purpose of these funds was to contribute toward developing and renewing public infrastructure and community facilities across Canada. The City submitted several applications for funding under these initiatives and was successful in leveraging $2.15 million to augment its Capital Plan funding.

On October 19, 2015, Canada elected a majority Liberal government for the next four years. A key component of its election platform included considerable investments in infrastructure and specifically the areas of public transit, affordable housing, childcare and green infrastructure. In its campaign platform a pledge was made to increase infrastructure spending by $60 billion — to $125 billion over the next 10 years — to address traffic congestion, enhance productivity, support exports and stimulate business investments.

This proposed funding is expected to accelerate the implementation of key capital projects by municipalities and provinces across key areas:

- **On housing affordability** — The Liberal Party promised that if elected it would provide tax incentives to boost development and renovation of rental housing; renew existing co-operative agreements; provide operating funding to support municipalities; provide project financing through Canada Mortgage and Housing Corporation (CMHC) and the new Canada Infrastructure Bank; and review temporary and/or non-resident home purchases;
- **On climate change** — The campaign platform committed a Liberal government to establishing a path forward for achieving national greenhouse gas (GHG) emissions targets, with specific measures. This included: more rigorous, transparent environmental project assessment; a $2.0 billion federal Low-Carbon Economy Trust; introduction of the Canada Green Investment Bond (Green Bonds), to be issued by a new Canada Infrastructure Bank; and a flexible framework enabling individual provinces to design their own environmental strategies, such as carbon pricing; and,
- **On health care** — The campaign platform committed a Liberal government to a new health accord, including a $3.0 billion injection in federal funding for home care over the next four years.

City Council's top priorities — rapid transit, affordable housing, childcare and sustainability — align well with the new government's priorities. Accordingly, the City will advance its strategic partnerships with both the federal and provincial governments to:

- Expedite extending the Millennium Line SkyTrain under the Broadway Corridor to Arbutus Street on Vancouver's west side (more commonly known as the Broadway Subway);
- Create additional affordable housing; and,
- Continue implementing initiatives supporting renewable energy and sustainability over the coming years.

NATIONAL/REGIONAL CONTEXT

Metro Vancouver's economy is highly sensitive to the health of the national and provincial economies.

While Vancouver is anticipated to experience relatively strong economic and employment growth, nationwide, forecasts are less optimistic. Plummeting oil prices are taking a toll on Canada's economy, which is expected to decelerate from 2.4% in 2014 to 1.6% in 2015.[3] Business investment will remain weak. The energy sector is expected to reduce its capital spending by one-third in 2015 and 2016. Other sectors have also been hesitant to invest in machinery and equipment, a trend expected to continue through 2015. Consumer spending is expected to be held back by soft employment growth, job losses in oil-rich provinces, fairly weak wage gains and high levels of household debt.

An anticipated interest rate hike by the U.S. Federal Reserve is expected to put further pressure on the Canadian dollar. With a soft domestic economy, excess capacity and a 20% drop in the Canadian dollar against the U.S. dollar since 2014, business investments are not expected to turn around in the near term. On the other hand, lower oil prices are expected to provide further stimulus to an already strengthening U.S. economy, fuelling demand for Canadian exports made more competitive by the lower Canadian dollar. Canada's real GDP growth is forecast to recover gradually in the next few years, averaging at 2.1% from 2016-2019.[4]

With a strengthening U.S. economy, British Columbia's economy is expected to grow by a nation-leading 2.8% in 2015, accelerating to 3.3% on average from 2016-2018, before retreating to 1.3% in 2019.[4] Annual employment growth is expected to accelerate from 0.6% in 2014 to 1.6% in 2016, and further to 2.0% in 2017 and 2018, before retreating to 1.1% in 2019.[4] As employment growth is expected to outpace population growth, projected at 1.3% on average during the same period, the unemployment rate is expected to drop from 6.9% in 2012 to 6.0% in 2015, and further to 4.9% in 2019.[4] Over the next few years, solid employment growth and low inflation will support both housing and retail markets.

Though British Columbia is one of several provinces to manage a balanced budget since 2013, the main economic risk for the province over the next few years continues to be the liquefied natural gas industry; further delays in investments would lower the provincial economic growth from the current forecast. As such, fiscal restraint is expected to continue in the near term and could put further pressure on the City's finances through additional downloading of services or expectations for the City to fill any gaps arising from provincial cuts.

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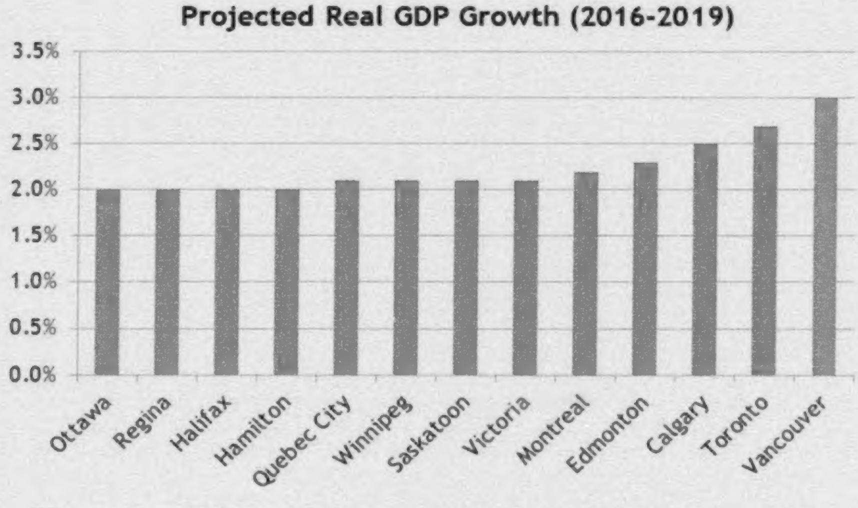
[3] Conference Board of Canada: *Metropolitan Outlook*, Autumn 2015

[4] Conference Board of Canada: *Metropolitan Outlook*, Autumn 2015



Conference Board of Canada: *Metropolitan Outlook*, Autumn 2015

GLOBAL CONTEXT

Metro Vancouver's economy is highly sensitive to the state of major economies in the Americas, Asia and Europe. Accordingly, slowing global demand for B.C.'s key exports, such as energy and forest products, would negatively impact local businesses.

The global economy is expected to grow just 3.1% in 2015 with a slight increase to 3.5% in 2016, reflecting the cyclical underperformance and structural adjustments underway in a number of economically relevant countries. Indeed, the contraction in international trade in early 2015 has been shown to have impacted both advanced and emerging market economies.

After a slow start in 2015, the U.S. economy has shown substantial improvement led by consumer spending and housing, supported by a solid job market, reasonable affordability, low interest rates and easing credit conditions. The strong U.S. dollar, however, has posed a significant challenge to its exports.

Economic growth in China, the world's second-largest economy, has decelerated considerably in 2015 as it continues transitioning to a consumer-led economy and relying less on government-sponsored investments and borrowing. As Canada's third-largest trading partner, a continued softening of China's economy would reduce demand for commodity and manufactured inputs from Canada. Equity market sell-off in late summer has added further uncertainty to an already weak economic outlook.

After emerging from recession in 2013, the European Union's economy has stalled since 2014. The United Kingdom is expected to lead in economic growth supported by strong domestic demand while Germany continues to experience relatively balanced growth. However, economic recovery for the rest of the Eurozone has not been encouraging. Unemployment remains historically high, inflation stubbornly low and progress on sovereign debt and structural economic reform has been slow. Prolonged austerity and drastic fiscal reforms, particularly for peripheral economies such as Greece, are perceived as hindering recovery — and could further destabilize an integrated Europe.

Collectively, these developments add further uncertainty and volatility to the global economic picture. As such, the City needs to be prudent in developing 2016 budget estimates and mid-term forecasts.

FISCALLY RESPONSIBLE

Vancouver, like other Canadian cities, offers a broad range of services within a limited range of revenue sources. By legislation, the City is prohibited from running a deficit in its operating budget or using debt to finance day-to-day operations. Prudent fiscal stewardship and careful financial planning are needed to balance the budget each year while ensuring long-term priorities are pursued in a financially sustainable and resilient manner. Macroeconomic conditions that could impact businesses and residents must also be considered.

The City has adopted a set of Financial Sustainability Guiding Principles to steer development of its service plans, medium- to long-term financial and capital plans, and annual budgets.

Financial Health Indicators

For long-term financial and capital planning purposes, the City tracks several metrics to gauge its financial health and borrowing capacity for long-term capital investments. In developing the 2015-2018 Capital Plan, a key consideration was the impact of capital investments on the operating budget and property tax and fee increases arising from debt servicing, future operating costs and asset lifecycle costs. The City's goal is to minimize the year-over-year increase in debt servicing, stabilize its debt level and reduce debt per capita over the long term. This way, the capital program will not drive significant operating budget increases, helping maintain property tax and user fees at affordable levels.

FINANCIAL SUSTAINABILITY GUIDING PRINCIPLES

The following principles guided the development of the City's 2015-2018 Capital Plan and 2016-2020 service plans and budget.

Fiscal Prudence

- Live within our means;
- Consider long-term implications in all decisions;
- Maintain a stable and predictable revenue stream;
- Keep debt at a manageable level; and,
- Build in flexibility and contingencies for emerging priorities and opportunities.

Affordability and Cost Effectiveness

- Deliver services that are relevant and result in desired public outcomes;
- Ensure value for money through productivity and innovation; and,
- Keep property tax and fees affordable (in line with inflation).

Asset Management

- Maintain assets in an appropriate state of repair; and,
- Optimize capital investments to meet public and economic needs while achieving value for the investment.

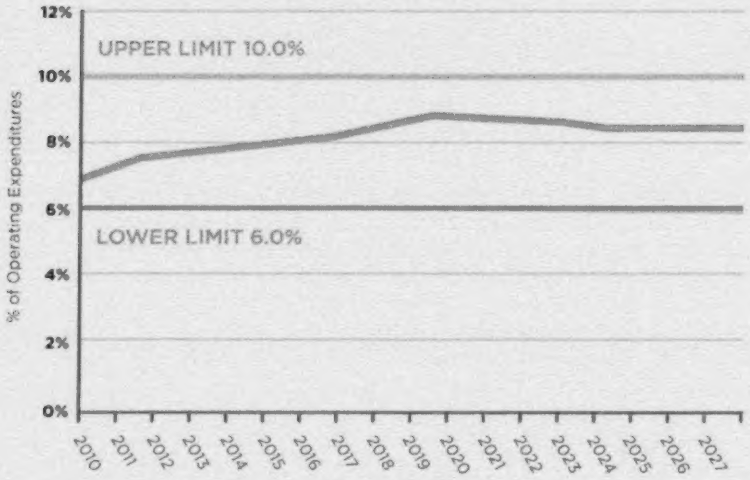
Keep Debt at a Manageable Level

Like most major Canadian cities and senior levels of government, the City uses debt in its mix of payment methods to fund capital investments. This allows payments to be made over a longer timeframe to align with the useful life of the underlying capital assets, and ensures generations of residents and businesses that benefit from the capital investments participate in paying for them.

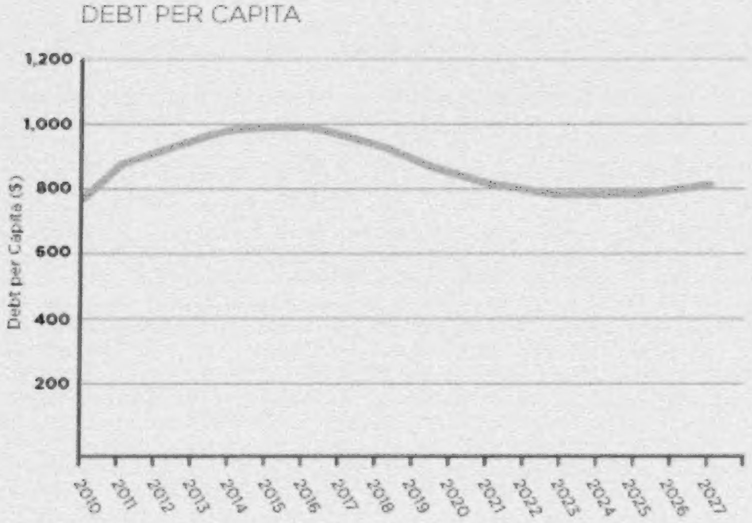
The City takes a careful approach to its use of debt to renew and enhance its public amenities and infrastructure to serve businesses and residents on an ongoing basis while ensuring a balanced operating budget and keeping property tax and fees at an affordable level. The City's consistently strong credit ratings and favourable borrowing rates reflect this careful approach.

As part of the City's long-term debt management strategy, water and sewer utilities are transitioning their infrastructure lifecycle replacement programs from debt financing to a pay-as-you-go model. This will help lower the City's overall debt and save interest costs over the long term. Looking ahead, the City will continue exploring opportunities, where appropriate, to transition its general capital program to a higher proportion of pay-as-you-go to enhance the City's long-term debt profile and credit ratings.

TAX-SUPPORTED DEBT SERVICING AS % OF OPERATING EXPENDITURES



Tax-supported debt = general debt + 50% sewer debt



Debt = total debt less sinking fund

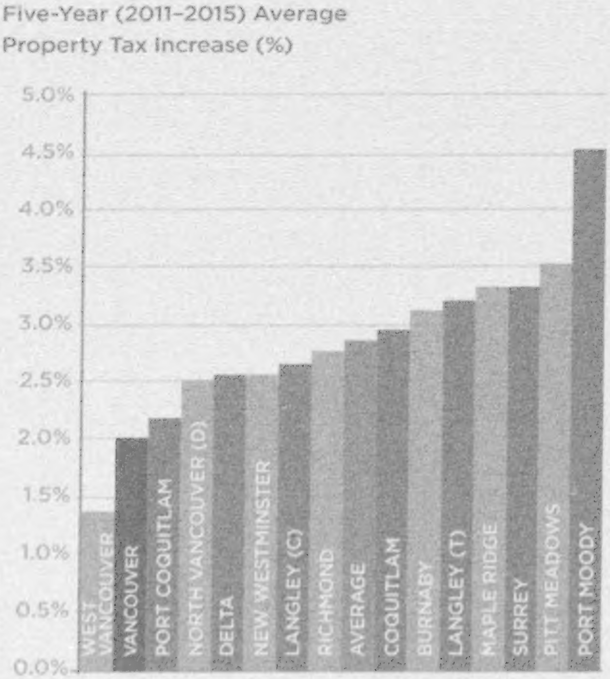
Maintain Strong Credit Ratings and Access to Low Borrowing Costs
In 2015, Standard & Poor's upgraded the City of Vancouver's debt rating from AA to AA+. This upgrade reflects the significant decline in debt burden following the full repayment of Olympic-related debt in 2014, continued improvement in cash position and the City's consistently strong budgetary performance. The City continues to maintain its AAA debt rating from Moody's, which improved its outlook for the City from negative to stable.

The City's strong credit ratings are among the best of any Canadian city and are supported by a diverse economy and strong, stable tax base. Continued management of debt within target levels is critical to maintaining and enhancing the City's credit ratings and securing the most favourable borrowing rates to finance the capital program. The City typically issues 10-year term debt and sets aside annual principal payments in a sinking fund, which helps mitigate short-term interest rate volatility.

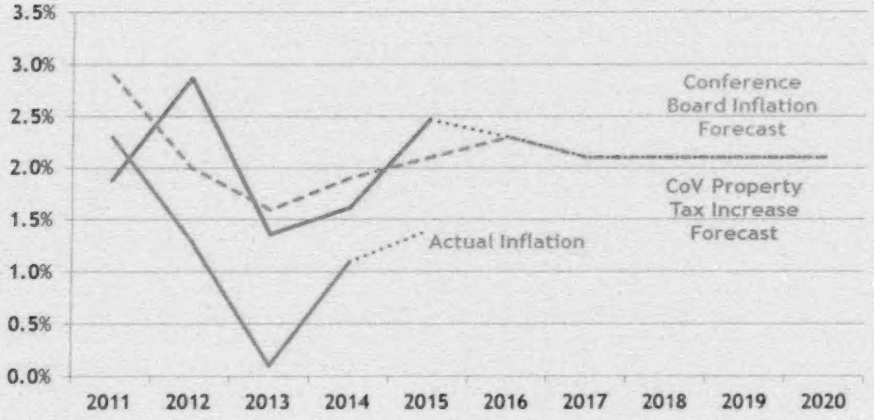
Keep Property Taxes and User Fees Competitive

The City is committed to maintain the affordability and competitiveness of property taxes, utility fees and user fees while sustaining the breadth and quality of services and programs it provides businesses and residents.

The following chart shows that the City's five-year average property tax increase was also the second-lowest compared to other major cities in Metro Vancouver.



As shown in the following chart, the City's property tax increase has been modest in recent years – average of 2%, ranging from 1.4%-2.9%. This increase generally aligned with the Conference Board of Canada's inflation forecast (1.6%-2.9%), available in fall of each year when the budget is developed. While actual inflation (0.1%-2.3%) has trended below forecast and the City's property tax increase, Vancouver compares favourably with other Metro Vancouver municipalities, with one of the lowest tax increases in the region.


Property Tax Increases vs. Vancouver CPI (2011-2020)

During this period, the City has enhanced its network of public amenities in the areas of housing, community services and public safety while investing in core infrastructure (such as sewer separation and renewal, and upgraded transportation infrastructure for pedestrians, bikes and vehicles). This was accomplished through continuous innovation, business transformation and productivity enhancements while absorbing above-inflation wage increases.

Looking ahead, the growth in public amenities and infrastructure will put increasing pressure on the City's budget. Understanding the long-term impacts on property tax and fee payers arising from its capital investment decisions — including debt servicing, ongoing operating costs and asset lifecycle costs — was a key consideration in developing the 2015-2018 Capital Plan. These impacts will continue guiding the annual budget process.

Maintain Assets in an Appropriate State of Repair

Maintaining core infrastructure and amenities in an appropriate state of repair is critical to the City's long-term financial health and resilience. It helps ensure asset management obligations are not deferred, and that infrastructure deficits do not accumulate to unacceptable levels.

The City's target is to ensure at least two-thirds of City assets are in good or fair condition at any given time, which will be accomplished as part of the Capital Plan.

Optimize Capital Investments

Before adding new facilities, the City considers repurposing and right-sizing existing facilities, and continues advancing co-location and functional integration of services to enhance operational efficiency and customer service. All new facilities will be designed with flexible, adaptable and expandable spaces to accommodate changing demographics and future growth.

PUBLIC ENGAGEMENT

Each year, the City asks Vancouver residents and business owners their thoughts on City services and the value they feel they are getting from those services through an annual Service Satisfaction survey. This feedback helps inform the City's annual budget and service planning while building public awareness about City services and budget development. The survey provides the City with insights into community satisfaction relating to civic services and spending priorities, as well as opinions on tax tolerance and service efficiency measures. In October 2015, more than 3,000 people provided feedback, collected through three different methodologies:

Consultation activity	Participants
Online Service Satisfaction survey October 1–25 (also available in traditional Chinese)	2,277 (1,816 residents) (461 businesses)
Pop-Up City Hall in-person survey (three key questions asked from the Service Satisfaction survey) • City Hall, Doors Open Vancouver (October 2–3) • Renfrew Community Centre (October 15) • Britannia Community Centre (October 16) • Kerrisdale Community Centre (October 22) • lupii cafe, Champlain Crescent (October 23)	78 survey respondents, 350+ interactions
Random 3-1-1 caller survey (three key questions asked from the Service Satisfaction survey)	877 residents
Total citizens engaged	**3,232**

As well as the Service Satisfaction survey, a stakeholder workshop was convened among Council advisory committees and Business Improvement Associations (BIAs) to gather additional group-specific feedback.

PUBLIC FEEDBACK HIGHLIGHTS

What follows are highlights of the Service Satisfaction survey results. Results are presented in greater detail at vancouver.ca/budget.

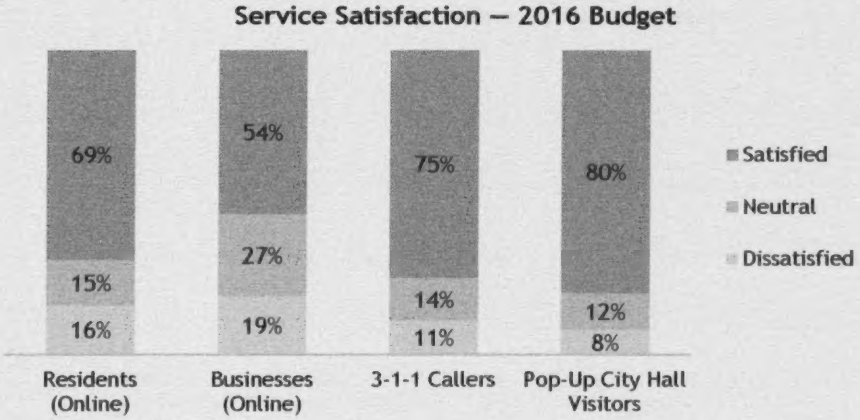
Important City Issues

Cost of living, infrastructure/transportation and housing are the key issues on the minds of Vancouver residents and business owners. These have consistently been, and remain, the top priorities for residents and business owners.

Satisfaction with City Services

Levels of satisfaction with City services are high. Among businesses, a pattern of increased satisfaction is evident; 54% of businesses are now satisfied with City services, compared to 50% in the 2014 and 2015 pre-budget surveys.

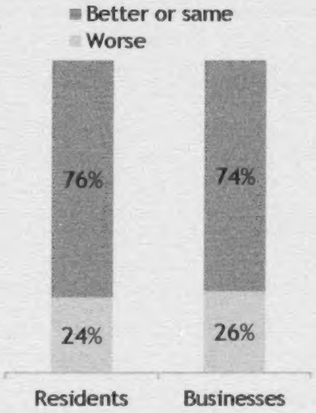
On average, 75% of residents are satisfied with City services (online, 3-1-1, Pop-Up).



Over the past few years, resident satisfaction levels have been fairly constant — with three-quarters of respondents indicating they are satisfied with the service they receive from the City.

2015 Budget Survey
Residents (online, 3-1-1, Pop-Up) — 75% satisfied/11% neutral/14% dissatisfied
Businesses (online) — 50% satisfied/23% neutral/27% dissatisfied

2014 Budget Survey
Residents (online) — 71% satisfied/29% dissatisfied (no neutral category; 3-1-1, Pop-Up not asked)
Businesses (online) — 50% satisfied/34% neutral/16% dissatisfied



Quality and Value of Services

The City receives the strongest satisfaction ratings (percentage showing those who rate performance an 8, 9 or 10 on a 10-point scale) for:

- **providing basic services, such as sewer, water, drainage** (61% residents, 57% businesses)
- **fire prevention** and **responding to medical calls** (55% residents, 55% businesses)

- **garbage collection, composting and recycling** (51% residents, 47% businesses)
- **providing access to library resources** (51% residents, 44% businesses)

Satisfaction levels for most City services are higher among residents than businesses in Vancouver.

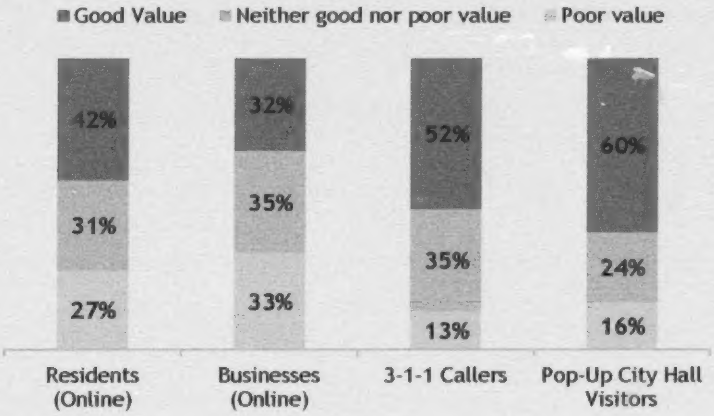
A majority of both residents and businesses consistently believe the quality of services provided by the City has either stayed the same or improved over the past 2-3 years. Businesses, particularly, are showing large improvements in their perceptions of the stability and enhancement of City services in the 2016 survey (74% better or same) over 2014 and 2015 (66% better or same).

2015 Budget Survey
Residents (online): 73% — Better or stayed the same
Businesses (online): 66% — Better or stayed the same

2014 Budget Survey
Residents (online): 73% – Better or stayed the same
Businesses (online): 66% – Better or stayed the same

Service Value for Tax Dollar

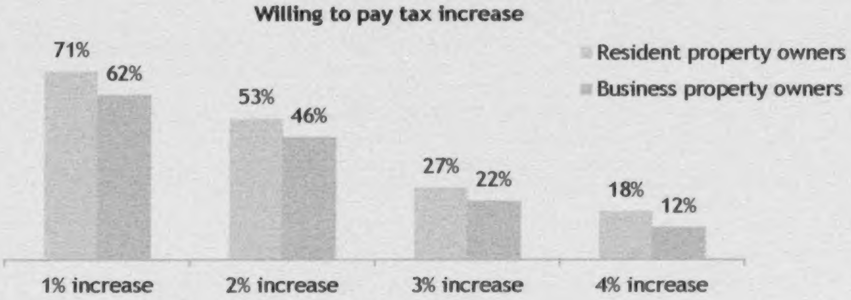
- Residents are more likely than businesses to believe they are receiving good value for their tax dollar. Across all residents (online, 3-1-1 and in-person), 51% believe they are receiving good value for their tax dollar versus 19% who think they are receiving poor value.
- Perceptions among businesses are split, with about one-third of business respondents believing they receive good value for their tax dollar and one-third who think they do not.



Willingness to Support a Tax Increase

To continue providing services to citizens at current levels, the City may need to increase the amount of taxes it collects to cover increased costs for existing programs and services. Residents who own their homes and businesses who own their business properties were asked if they would be willing/unwilling to pay an increase in their property taxes at four different levels: 1.0%, 2.0%, 3.0% and 4.0%.

The majority of resident property owners and business property owners are willing to pay a 1.0% tax increase. Overall, one-half are also willing to pay a 2.0% tax increase (though resident owners are somewhat more willing than businesses).



Support for Efficiency Measures

The public is open to a variety of tools to balance the City's budget, so no single measure presented was supported by a majority of residents or businesses. Respondents were most likely to support the following measures (on average):

- Introducing new user fees for some City services that currently have no fees (45%);
- Increasing user fees for City services that currently have fees (41%); and/or,
- Reducing the level of staff or personnel providing services (40%).

When probed about user fees, both resident and business respondents (70% on average) were willing to support increased fees for services they or their business used.

Stakeholder Meeting Feedback

On October 26, 2015, 16 representatives from the Seniors', Women's, Persons with Disabilities, Arts and Culture, and LGBTQ2+ advisory committees, the Vancouver Planning Commission, the Chinatown Historic Area Planning Committee, and Gastown BIA gathered to discuss budget direction with Finance staff. Key themes taken from the meeting were:

- Service and long-term planning should show clear alignment with City priorities;
- There are many opportunities to look for different funding streams, but City priorities and equity for vulnerable communities must be considered when looking at new streams;

- There is opportunity for current service-planning metrics to provide more demographic information to better understand use; and,
- Housing is the biggest priority, with a need for focus on meeting a diversity of housing needs.

PUBLIC FEEDBACK RESULTS

The results of the Service Satisfaction survey are used to inform the 2016 Budget before it is presented to Vancouver City Council for approval in December 2015.

Public feedback from the survey has helped validate City spending priorities for 2016 — with significant new investment in those areas deemed priority issues by the public, as well as areas where the public noted opportunity for improvement.

These areas include:

- **Housing** — Partnerships with the City's housing partners are underway, creating non-market housing units (nə́c̓aʔmat ct Strathcona VPL/YWCA, Fire Hall No. 5/YWCA, Community Housing Land Trust Foundation);
- **Infrastructure maintenance and renewal** — Seventy-four per cent of the proposed 2016 Capital Budget of $325.2 million is directed toward infrastructure maintenance and renewal;
- **Transportation and economic development** — Broadway Subway is the City's top transportation priority, and one of Vancouver's most important economic initiatives. Critical design work for the project continues, in partnership with TransLink. To advance this priority, planned funding applications to senior levels of government are necessary. The new federal Liberal government, in its election campaign platform, pledged to significantly increase infrastructure spending — an encouraging development with respect to this particular priority;
- **Social initiatives** — The Healthy City Strategy Phase 2 Action Plan, approved in 2015, identifies 19 priority actions that will receive investments over the first four years of the Healthy City Strategy; and,
- **Permit processing** — The final phase of the Permits and Licence Project will help streamline the permit process; $2.0 million has been invested in resources to reduce processing wait times.

At 2.3%, the proposed property tax increase aligns with feedback the City has received from the public. Improvements to service efficiencies are reflected in the proposed budget, including capital funding to continue implementing the City's Digital Strategy; it will enable delivery of more services online, in addition to supporting the Park Board's new ActiveNet recreation registration system.

PROGRESS WITH COUNCIL PRIORITIES

A key goal of the budget and financial planning process is to align the Budget with the City's strategic direction. This includes alignment of existing resources as well as any new investments. This section of the budget document outlines recent progress and plans toward those strategic priorities. Further information is available in the departmental service plan section.

Council has five priorities:

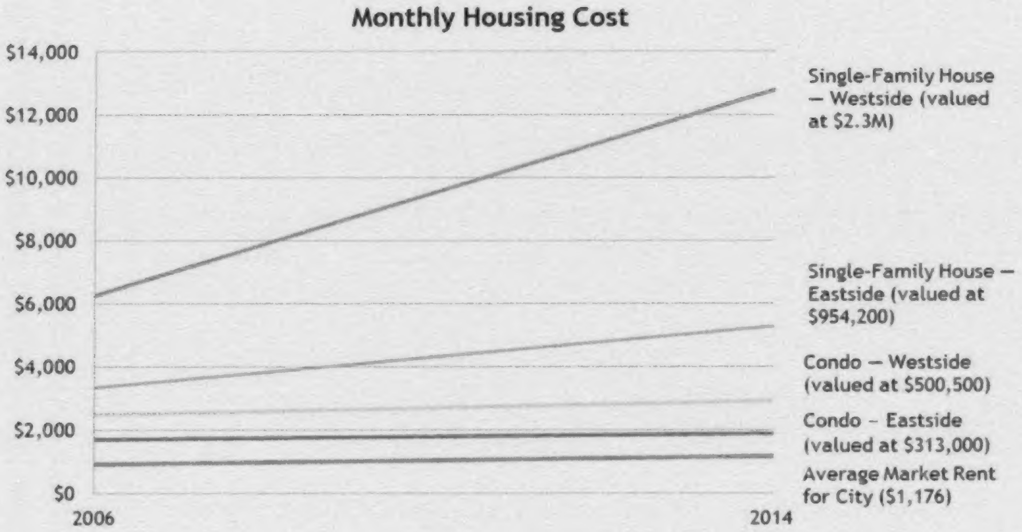
- Housing and Homelessness;
- Safety, Inclusion, and Creativity;
- Economic Development;
- Greenest City; and,
- Value for Money.

HOUSING AND HOMELESSNESS

Housing and Affordability

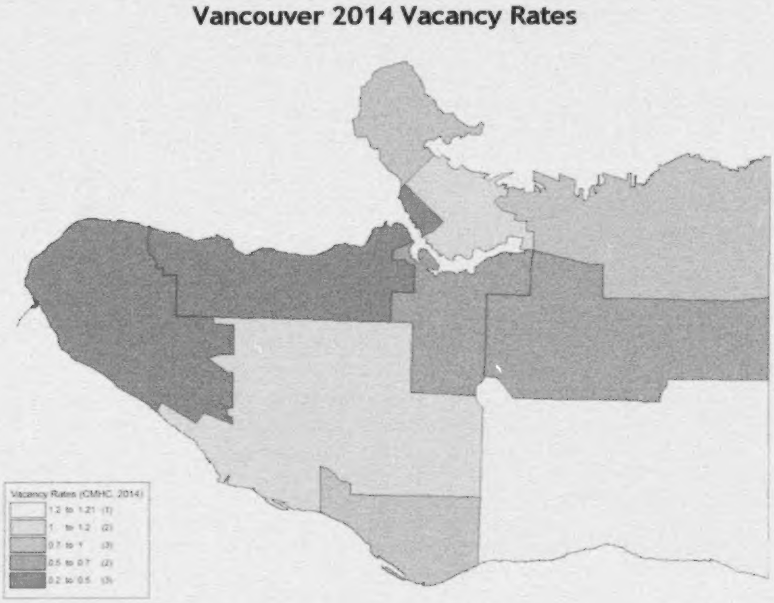
As a growing and diverse city, increasing the availability and range of affordable housing choices for all residents is critical to the social, environmental and economic health of Vancouver. Many individuals and families are experiencing housing affordability pressures, both in the areas of rental and housing ownership — challenging their ability to live and work in Vancouver.

With residential property values continuing to increase considerably faster than the Consumer Price Index (CPI) and wage growth over the last decade, rental housing has been a more affordable option for Vancouver residents. Today, more than 50% of the population are in the renting market. For home ownership, single-family housing remains the most expensive option, followed by townhomes and condominiums.



Sources:
Real Estate Board of Greater Vancouver Monthly Statistical Reports (October of each year – benchmark sales prices)
Canada Mortgage and Housing Corporation; Fall 2006 and Fall 2014 rental market reports. Ownership costs have been based on the following assumptions: 10% down payment, 5.0% mortgage rate, 25-year amortization, $150-$250 monthly strata fees and monthly property taxes based on current-year tax rates.

From a rental perspective, an extremely low vacancy rate (0.2-1.2%) across Vancouver's neighbourhoods continues pressuring households in this market.


Vancouver 2014 Vacancy Rates
Vacancy Rates (CMHC, 2014)
1.2 to 1.21 (1)
1 to 1.2 (2)
0.7 to 1 (3)
0.5 to 0.7 (2)
0.2 to 0.5 (3)

CITY OF VANCOUVER

Through the 2012-2021 Housing and Homelessness Strategy, the City continues working towards ending street homelessness and enabling development of new affordable housing in partnership with provincial, private sector and non-profit partners. The Housing and Homelessness Strategy has three strategic directions:

STRATEGIC DIRECTION 1

Increase supply and options across the housing continuum

STRATEGIC DIRECTION 2

Encourage a housing mix that enhances quality of life across all neighbourhoods

STRATEGIC DIRECTION 3

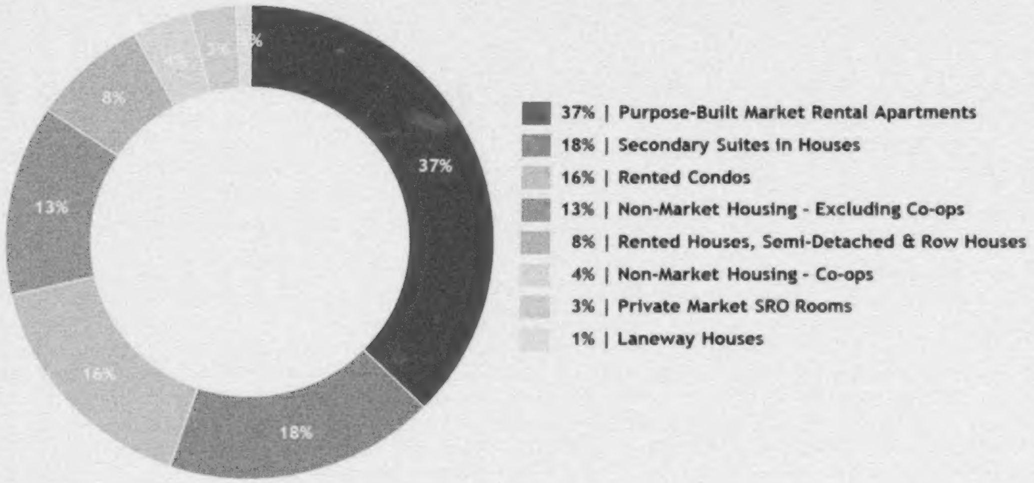
Provide strong leadership and support partners to enhance housing stability

The 2015-2018 Capital Plan earmarked $125.0 million of strategic investments in affordable housing. Over the last few years, through policies and partnerships, the City leveraged almost 10,000 new affordable housing units geared toward low- and moderate-income households ranging from supportive and social housing, to secured market rental, laneway housing and secondary suites.

Market Rental

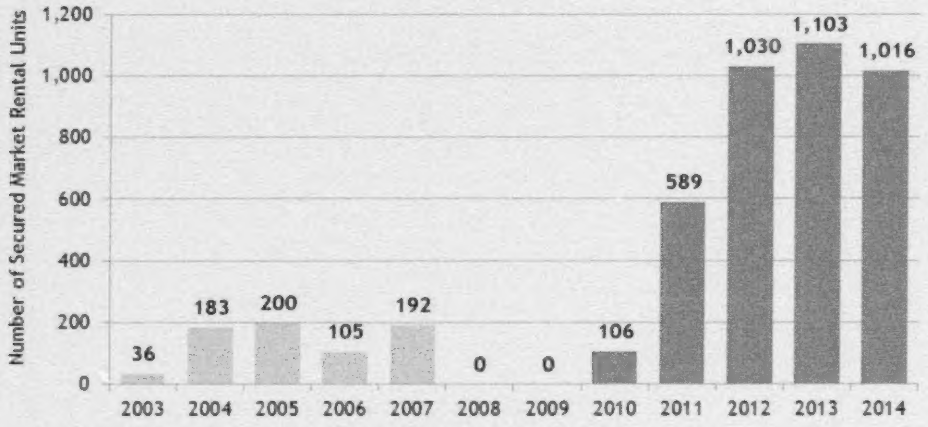
Purpose-built and secured market rental housing accounts for a significant share of Vancouver's rental housing stock and provides considerably more secure tenure for renters relative to other rental options.

Rental Housing in Vancouver — 2015

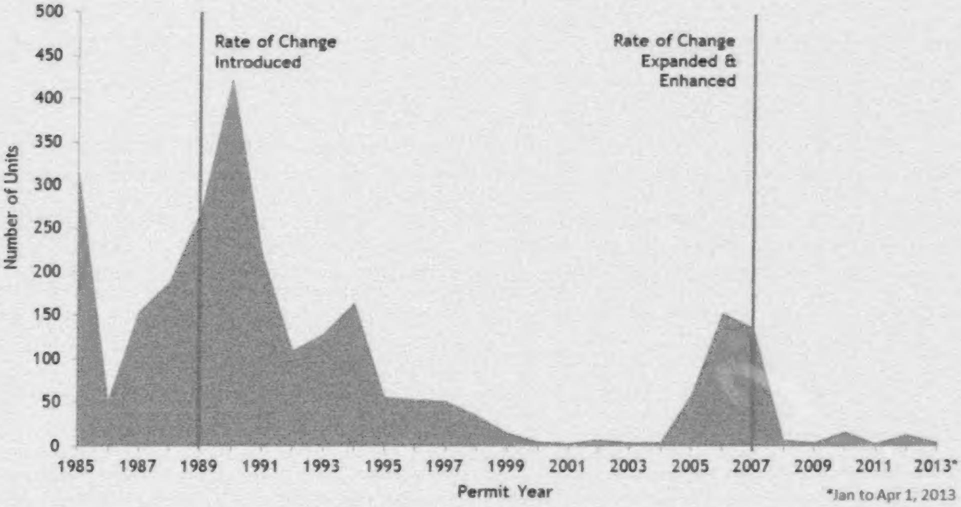


To encourage development of new secured market rental housing by the private sector, the City introduced the Short-term Incentives for Rental (STIR) program, in 2010. More recently, the City introduced Rental 100: Secured Market Rental Housing Policy that encourages the development of projects where 100% of residential units are rentals. The impact of these initiatives has been significant. Between 2005 and 2009, only 5% of housing starts in Vancouver consisted of rental units. Now, nearly 20% of total housing starts are rentals. The City also delivers around half the region's new market rental units. The result has been a commitment of more than 3,700 new units of market rental housing since 2010 — with almost 1,000 completed and occupied, and another 1,500 units under construction. In 2015, at the time of writing, nearly 800 units have been approved.

Secured Market Rental Units Committed



In addition to enabling new secured market rental units, the City also strives to protect existing rental stock through its Rate of Change Policy; it requires that units be replaced on a one-for-one basis in new developments and that tenant relocation support be provided. Approximately 70% of rental stock (47,000 units) is protected by the Rate of Change Policy. Since the policy was expanded and enhanced in 2007, there has been a significant reduction in the number of rental housing demolitions.



Market-Rental Dwelling Units Demolished Each Year in RM & FM Zones, Permits for Three or More Units

The City has also approved approximately 2,800 secondary suites and laneway houses since 2012, with more than 400 units approved in 2015. These additions increase the City's affordable rental capacity.

To encourage more family rental units, in June 2015 Council amended the Development Cost Levy (DCL) Bylaws to allow DCL waivers for eligible three-bedroom rental units – making their inclusion in rental developments more viable. The result is more options for young professionals and families in the city who rent, yet are seeking more space to accommodate growing families.

Vancouver Affordable Housing Agency

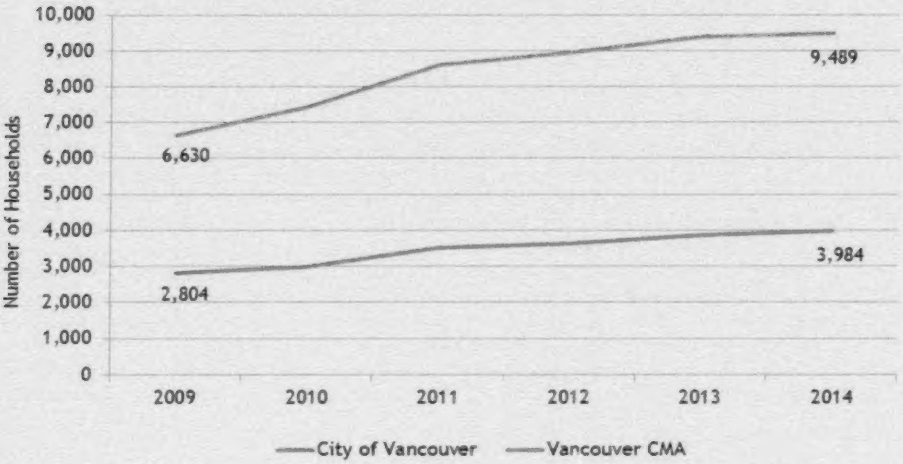
In June 2014, Council created the Vancouver Affordable Housing Agency (VAHA) with a mandate to enable 500 affordable housing units by 2017 and 2,500 units by 2021 through innovative partnerships with non-profit housing partners, developers and senior levels of government. VAHA is a legally separate, City-controlled entity created to implement a critical recommendation from the Mayor's Task Force on Housing Affordability. In 2015, VAHA completed recruitment of its Board and brought forward a development plan where 12 City-owned and optioned sites were selected to deliver more than 1,000 units over the next few years, with Phase I development in sites in the River District, Downtown Eastside, and Kensington-Cedar Cottage. Two additional sites have also been acquired for future development: 55-95 and 115 SW Marine Drive, and 501 Powell Street.

VAHA will work to drive affordability though development, economies of scale, partner equity and low-cost financing. A Request for Qualifications for construction partners earlier this year generated considerable response, and shortlisted partners will be invited to participate in site-specific tenders. VAHA has also sourced external consultants to research the issue of vacant homes, with plans to report to Council in early 2016. The creation of VAHA will significantly expedite delivery of more affordable housing for Vancouver residents struggling to find affordable housing options.

Non-market Housing

As the waitlist for non-market housing units continues growing in Vancouver and Metro Vancouver, new supply of affordable rentals remains critical.

Households on the BC Housing Waiting List for City of Vancouver and Vancouver Census Metropolitan Area (CMA) 2009-2014



Source: BC Housing — as published in the *Metro Vancouver Housing Data Book* — Households on the BC Housing Waiting List by Municipality.

A number of projects, enabled through strategic partnerships with the City's housing partners, moved forward in 2015. These include:

- nə́c̓aʔmat ct Strathcona VPL/YWCA project, under construction, which will create 21 units for low-income single mothers;
- The Fire Hall No. 5/YWCA project, recently approved, which will see 31 units created for low-income single mothers; and,
- A Community Housing Land Trust Foundation project, with a fall 2015 construction start, which will create 358 units, on four City-owned sites, targeting low- to moderate-income households as well as seniors and singles.

In addition to the City-led projects, through implementation of various Community Plans the City continues to secure affordable housing units Vancouver-wide through inclusionary zoning policies and community amenity contributions (CACs) from rezoning. As a result of these new plans, there has been growing interest from developers in partnering with the City and other non-profit housing operators to deliver social housing in the Downtown Eastside (DTES) and West End neighbourhoods.

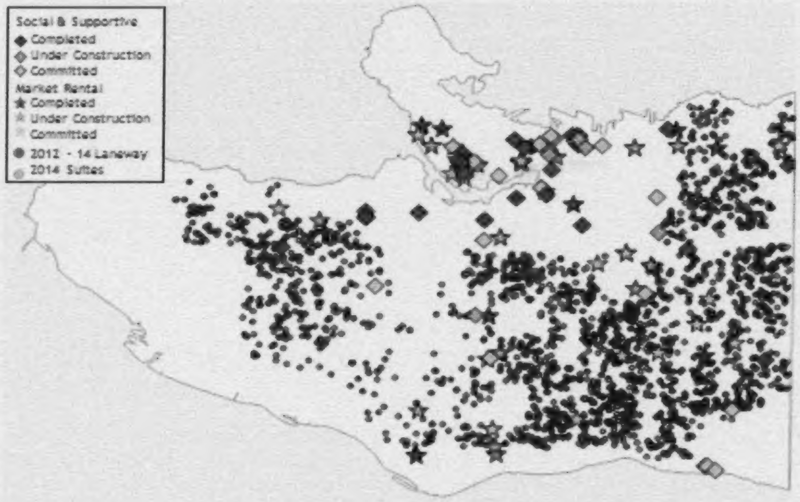
Supportive Housing and Support for the Homeless

Since 2010, under a Memorandum of Understanding between the City of Vancouver and BC Housing, and with significant contributions from the Streetohome Foundation, around 1,500 new units have been constructed and tenanted. In 2015, more than 200 units – enabled through partnerships with BC Housing, non-profit housing providers and charitable foundations – were completed, including:

- Tenanting of the City-owned Taylor Manor, a 56-unit supportive housing project, to serve homeless individuals with mental illness; and,
- A 147-unit supportive housing project at 606 Powell Street/220 Princess Avenue for women and families in need of support.

As a result of the 2012-2021 Housing and Homelessness Strategy, almost 10,000 new rental housing units are in development citywide.

New Rental Housing Units Enabled



Single Room Occupancy Hotels

Single Room Occupancy (SRO) hotels are a vital but outdated part of Vancouver's housing supply and, for many vulnerable citizens, are often the final step before homelessness. The Downtown Eastside Community Plan, adopted in 2014, included actions to improve livability while minimizing room loss and maintaining affordability. In July 2015, Council earmarked $2.0 million to leverage partner funding to support private SRO upgrades and maintain affordability, in addition to amending the Single Room Accommodation (SRA) Bylaw to:

- increase the amount Council can attach to an SRA permit for the permanent removal of an SRO from the SRA Bylaw, from $15,000 to $125,000, to fund replacement housing; and,

- require that all repairs involving tenant relocation obtain an SRA conversion permit.

For non-profit SROs, a $5,000-per-door grant is available to help fund necessary upgrades. In 2015, Council approved $0.53 million for the renovation of Murray Hotel (1119 Hornby Street) to improve livability in 106 units, and $0.18 million for renovation of the Asia Hotel (137-139 East Pender Street) to upgrade 36 units; one-third of the units for both projects are to be rented at shelter rates.

Vancouver Rent Bank

In May 2015, Council approved additional grants to extend operation of the Vancouver Rent Bank (VRB) through June 2017. The VRB offers short-term, interest-free loans to low-income individuals and families in temporary financial crisis and at-risk for eviction or essential utility disconnection. It also provides financial counselling, advocacy and referrals to other community services.

Rental Standards Database

The City continues refining the Rental Standards Database to motivate landlords to maintain their rental buildings and help renters understand the building conditions and outstanding health and safety bylaw violations so they can make more informed decisions about where to live.

Ending Street Homelessness

The City remains committed to solving street homelessness. The annual homeless count helps assess and recalibrate demand for City shelters and supportive services.

Drivers of homelessness include discharge rates for patients leaving hospitals, inmates released from correctional institutions and youth leaving the foster care system with no fixed address. Delays in developing permanent supportive housing, inadequate shelters with low barriers to admission (such as allowing pets or shopping carts) and limited interim housing options used to transition homeless into permanent housing put further pressure on the system.

At 1,746 (1,258 sheltered homeless and 488 unsheltered homeless), the 2015 Homeless Count showed that homelessness in Vancouver has stabilized relative to 2014. This is a result of significant investment by the City in opening purpose-built, supportive housing, and ensuring capacity exists for those living on Vancouver's streets who are seeking shelter.

Interim Housing

Though there was a reduction of 68 units in room capacity in 2015 due to renovations undertaken by BC Housing, the City enabled 257 interim housing units through leases and grants coupled with provincial rental allowances. This included the following facilities:

- converting the Quality Inn (1335 Howe Street) to a two-year, 157-unit interim housing project; and,
- reopening the Bosman Hotel (1060 Howe Street) as a five-year, 100-unit interim housing project named Metson Rooms.

Both facilities are operated by the Community Builders Foundation.

The following table shows that housing for more than 500 homeless individuals in new or incremental units was added between March 2014 and March 2015.

Housing for Homeless: Change between March 2014 and March 2015

Category	Sites	Incremental Units	Housing for Homeless
Supportive Housing Units: BC Housing and City of Vancouver 2007 MOU	1134 Burrard Street; 111 Princess Avenue; 2465 Fraser Street	383	301
Non-MOU Supportive/ Non-Market Housing Units	Kingsway Continental; Taylor Manor Inn	66	41
Interim Housing Units	3475 East Hasting Street; 395 Kingsway; 1335 Howe Street; 1060 Howe Street	199	149
Winter Shelter Beds	900 Pacific Avenue; 1647 East Pender Street; Salvation Army Winter Shelter	35 (Beds)	35 (Beds)
BC Housing SPO P3	Reduction in room capacity due to ongoing renovation	-68	-68
Total New Capacity		615	458

SAFETY, INCLUSION AND SOCIAL SERVICES

Healthy City

In July 2015, Council approved the Healthy City Strategy Phase 2 Action Plan (2015-2018), which identifies 19 priority actions for the first four years of the Healthy City Strategy. These actions include developing a Social Amenities Priorities Plan to identify neighbourhoods underserved by social, health and/or community services; launching a Sharing City framework to enable the sharing economy in Vancouver; integrating Active Living design best practices to increase physical activity in the built environment; and assessing the steps to becoming a Living Wage employer.

The 19 actions were developed through consultation with the Healthy City for All Leadership Table, comprised of Vancouver leaders representing a range of sectors; an interdepartmental staff team; and key stakeholders, including the provincial and federal governments, public institutions, foundations and the private sector. These actions augment existing plans and fill in gaps where strategies do not currently exist. The Action Plan supports the existing Healthy City Strategy framework adopted by Council in 2014.

Mental Health and Addictions

The Mayor's Task Force on Mental Health and Addictions, established in 2013, is a leadership forum modelled on the four-pillar approach (harm reduction; prevention; treatment; enforcement). The task force includes more than 60 members, including health care executives, government representatives, academics, non-profit leaders and advisors with lived experience.

With its key partners, the task force develops solutions for better mental health and addiction services in Vancouver. The mandate of the task force is to help the City identify priority actions to improve quality, accessibility, and choice within the system of care for people with serious mental health and addiction issues.

In September 2014, the task force completed its first phase of work and outlined 23 priority actions in the report *Caring for All: Priority Actions to Address Mental Health and Addictions*. Significant progress has been made in implementing the 23 priority actions set out to improve the health and housing needs of residents living with mental health and addiction issues — including new housing for people with mental illness and addictions, funding for two Aboriginal wellness centres, and providing funding grants to Family Services and the Bloom Group.

Downtown Eastside Street Market and Community Economic Development Hub

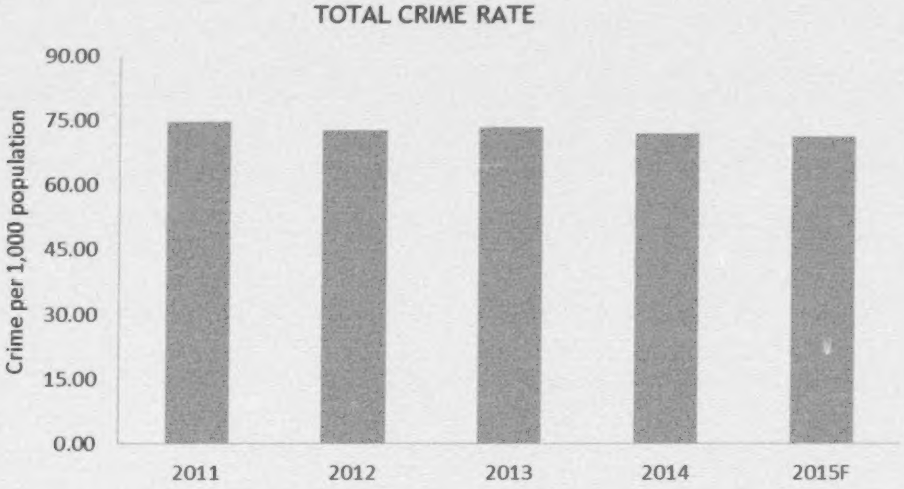
On August 1, 2015, the Downtown Eastside (DTES) Street Market began operating at its new permanent and secure home at 501 Powell Street. One of the actions identified in the DTES Plan was to find a more permanent place for the street market which had outgrown its original home at Pioneer Place (Pigeon Park).

Beginning with a market day every Saturday, the DTES Street Market will eventually build up to holding a market 2-3 days per week. The new location will enable the market to triple the number of legal vending opportunities in the DTES to nearly 700 vending positions per week, selling a diverse mix of items, as well as local arts and crafts.

The site will eventually be home of the City's Community Economic Development (CED) Hub, with an urban garden and a maker space later in 2016. The CED Hub offers an innovative approach to community economic development, providing opportunities for low-income residents to earn income, participate in meaningful activity, build skills and bring the neighbourhood together in a shared space. The Hub also achieves several Council priorities, including safe and inclusive neighbourhoods and a strong and vibrant economy.

Declining Crime Rate

From 2012-2014, Vancouver's total crime rate decreased by 3.9%. This overall decrease is attributable to decreases in violent crime, which have benefited from VPD initiatives focused on assisting those suffering from mental illness and programs aimed toward protecting Vancouver's most vulnerable citizens and youth. These initiatives and programs will continue into 2016 and beyond; at the same time, the VPD has begun the process of refreshing its Strategic Plan, with the goal of fostering further attention in the areas of crime reduction and prevention, strengthening ties with Vancouver's diverse community and improving road safety.



Vancouver Public Library Inspiration Lab

The Vancouver Public Library opened its Inspiration Lab in 2015, with funding from the City, the Library, and the Vancouver Public Library Foundation. The Inspiration Lab is a place dedicated to digital creativity, collaboration and storytelling without cost. It features high-performance computers, analog-to-digital conversion, sound studios, video editing and self-publishing software, as well as free access to online resources for thousands of video tutorials on design, video, photography, production and more.

Vancouver Board of Parks and Recreation Trans-Inclusive Awareness Campaign

In 2015, the Park Board launched an awareness campaign for transgender and gender-variant people. The campaign reinforces a key Park Board priority to make all community facilities friendly, safe and open to everyone. The campaign highlights the faces and stories of transgender people, and includes educational posters, brochures and postcards. It is a continuation of the Park Board's trans-inclusive initiative and ongoing programming — including the launch of Vancouver's first trans-inclusive public swim and signage on washrooms and change rooms.

ECONOMIC DEVELOPMENT

As a world-class city, Vancouver continues playing a major role on the world stage. In summer 2015, the City played host to the FIFA Women's World Cup Canada 2015, hosting a number of events — including the final match. The City is preparing to host several prominent events in 2016, including the first-ever Americas Masters Games, the Canada Sevens Vancouver (World Rugby Sevens Series) and another TED Conference. Providing attractive amenities such as efficient transit and digital connectivity helps drive awareness of our City's economic potential on the international stage.

Broadway Transit

The City's Transportation 2040 Plan identified the implementation of a Broadway Subway as the City's top transportation priority and one of the City's most important economic initiatives. The Broadway Corridor, which runs from Commercial Drive to UBC's Point Grey campus, is B.C.'s second-largest business and innovation area and North America's busiest bus route. More than 200,000 people currently live and work in the area, and 50% of the corridor's transit riders come from outside Vancouver. Vancouver Coastal Health and BC Cancer Agency operations along the corridor create the largest health care and life sciences precinct in the province, bringing an estimated 10,000 workers to the area. Along the eastern part of the corridor, Vancouver Community College brings 6,000 students.

The public declined to support the use of provincial sales tax as a funding source for the Mayors' Council on Regional Transportation Plan in the 2015 Metro Vancouver Transportation and Transit Plebiscite; however, both the federal and provincial governments have clearly stated their support of urban public transit projects as fundamental to the success of our economy. The newly elected federal Liberal government has pledged to substantially increase infrastructure investments, specifically in the area of public transit, over the next 10 years.

The City will work to advance its strategic partnerships with both the federal and provincial governments to expedite extending the Millennium Line SkyTrain under the Broadway Corridor to Arbutus Street on Vancouver's west side (more commonly known as the Broadway Subway). Critical design work for this project is still underway, in partnership with TransLink. This design work is important for improving cost certainty, identifying key project risks and establishing business case inputs — all necessary for planned funding applications to senior levels of government.

Removal of Georgia and Dunsmuir Viaducts

On October 27, 2015, Vancouver City Council voted to remove the Georgia and Dunsmuir viaducts and provide a new, more resilient and reliable street network in Northeast False Creek. The removal of the viaducts opens up opportunities to improve connections between adjacent communities, False Creek and the Downtown, to create a new 13-acre park along False Creek and deliver on other added community benefits — including affordable housing. As part of the proposal, the viaducts' removal will free two blocks of City land located immediately east and west of Main Street between Prior and Union streets. The next phase of design and consultation will review land parcel configuration and uses (to the west) to maximize opportunities associated with new direct connections between Northeast False Creek and the Downtown on Georgia and Dunsmuir streets, as well as the exceptional waterfront location that will anchor a new entertainment district at the foot of Georgia Street. The overall network changes will support improved vehicle movement while improving walking, cycling, and other transportation options. This will be accomplished by including new, accessible walking paths, complete street designs and a protected bike lane network.

TED Conference

TED (Technology, Entertainment, Design) is a global set of conferences, under the slogan "Ideas Worth Spreading." Founded as a one-time event in 1984, TED transformed into an annual conference series beginning in 1990. In 2014, for the first time in its history, TED was held outside the U.S., with Vancouver being selected by conference organizers to host the event in 2014, 2015, and 2016 — and potentially beyond.

TED talks are known around the world for being a source of inspiration and innovation, and an opportunity to rethink some of the world's most pressing challenges. Millions of people watch the talks in person and online. Being chosen to host the TED conference is a vote of confidence in the creative entrepreneurs, social innovators and community leaders who call Vancouver home and make Vancouver such a leading-edge city and an example to the world.

While most TED talks are released online for free following the conference, the conference has previously offered free, live streaming locally at some 60 locations during the conference, including libraries, colleges and universities, public plazas and non-profit and community centres. The TED2016: Dream conference will take place in Vancouver in February 2016.

Digital Strategy

The City's Digital Strategy continues to serve as a precedent-setting roadmap for Vancouver to become an open, connected and digitally enabled city. This strategy outlines both immediate and future ways to enhance digital engagement and access, improve infrastructure and support the digital economy for people who live, work and play in Vancouver.

In 2015, the City saw a significant increase in digital capabilities leading to an enhanced citizen experience and $30.0 million in online transactions. Recognizing that overall mobile access to the City's website now regularly exceeds 40% of total visits to the website – an increase of between 10% and 15% compared with 2014 – a key theme for 2015 was increased mobility. To this end, the City rolled out VanConnect, a new smartphone app and platform for accessing up-to-date information. VanConnect enables citizens to request City services, get emergency updates, find recreation facilities, view road closures and much more – anywhere, anytime. Within two months of being launched, the app was downloaded nearly 7,000 times. The Digital Strategy continues to serve as a strategic foundation for moving the City's approach to the digital realm from being ad hoc to integrated and strategic, an approach that prioritizes key actions that will have most value for citizens, business and the City.

In 2016, the focus of the Digital Strategy will continue to be optimizing productivity by shifting inquiries and transactions to online and mobile platforms – including enhancements to existing web and mobile applications. Beyond 2016, IT and Digital Services will focus on optimizing the City's existing technology and identifying emerging solutions to increase operational efficiency and improve the user experience for members of the public interacting with the City over digital channels.

Sport Hosting Partnership

The City of Vancouver has created a novel partnership with the Vancouver Hotel Destination Association, Tourism Vancouver, BC Pavilion Corporation (PavCo)/BC Place, the University of British Columbia, and Sport BC to leverage significant sport hosting opportunities – a legacy for Vancouver thanks to hosting the 2010 Olympic and Paralympic Winter Games.

Vancouver was selected as a host city for the FIFA Women's World Cup Canada 2015, hosting a number of events – including the final match. The Park Board has leveraged the City's status as a host city to improve access to sport for girls and women in Vancouver. Empire Fields at Hastings Park received a legacy gift from FIFA: a new synthetic turf field surface that will provide a decade of soccer play for all ages at this destination location.

The City will host two more major international events in 2016: the first-ever Americas Masters Games and the Canada Sevens Vancouver (World Cup Rugby Sevens Series) tournament. The Americas Masters Games will welcome more than 7,500 amateur athletes from around the world, from ages 35 to over 100, and will have a positive impact for the economy, tourism and sport development in Vancouver and the region.

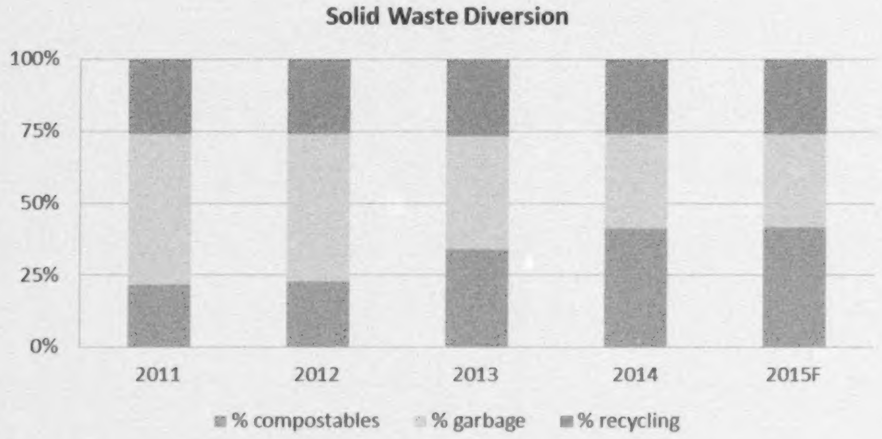
The Canada Sevens Vancouver will be a two-day indoor rugby tournament hosted at the world-class BC Place Stadium, host venue to Canada's most prestigious events, and will feature 16 of the world's top men's Rugby Sevens teams. These two major sports initiatives will generate important economic and tourism benefits, and provide lasting sport development legacies in Vancouver and surrounding communities.

GREENEST CITY

Vancouver made a commitment to become the world's greenest city and continues to take critical steps to meet this goal. New multi-family residential and commercial regulations on the dumping of garbage are helping divert solid waste from the landfill and incinerators. Commitments to water reduction and re-growing our urban forest will help make Vancouver greener and more livable.

Solid Waste Diversion – Multi-Unit Residential Buildings Composting

The Greenest City 2020 Action Plan includes measurable and ambitious targets for reducing and diverting waste. The citywide food scraps diversion program for single-family dwellings and duplexes is in its third full year in 2015. Since the start of the program, the City has collected approximately 64% more compostable organics and 40% less garbage. In 2014 and early 2015, the opportunity to participate in the food scraps program was extended to all the City-serviced Multi-Unit Residential Buildings (MURBs). Of these City-serviced buildings, 99% now have the infrastructure in place to divert food scraps. About 70% of MURBs in Vancouver are not served by the City in the area of green waste. City staff have been working with property managers, building owners and waste collectors to support further rollout of the Green Bin program to this sector. In 2015, the City passed a bylaw bringing into its regulatory framework the obligation of both commercial establishments and MURBs to put in place and use a food scraps diversion program – all consistent with Metro Vancouver's Integrated Solid Waste and Resource Management Plan and the regulatory ban on food scraps established by the region.



Keep Vancouver Spectacular — 20th Anniversary Year
Keep Vancouver Spectacular (KVS) was established in 1996 by the City and Tourism Vancouver as a way to empower residents to help keep the city beautiful. Since then, volunteers and volunteer groups from school groups, to sports teams, and business improvement associations to community policing centres and neighbourhood associations, have helped clean Vancouver's streets throughout the year.

The KVS program marked its 20th anniversary in 2015. To recognize this milestone, extra emphasis was placed on the thousands of volunteers who have taken to the streets to keep the city beautiful. The City set a goal to encourage 20,000 people to volunteer in KVS neighbourhood cleanups. Thanks to the dedicated volunteers, that goal has been surpassed. To date nearly 20,100 people have participated in 400 cleanups, collecting more than 5,600 bags of litter.

Volunteer support and participation in the KVS program help foster a stronger sense of community throughout Vancouver.

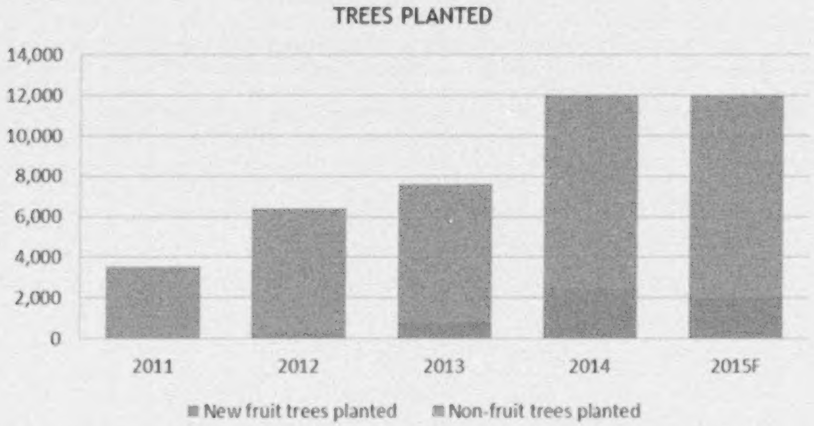
Water Conservation
The City's commitment to reducing citywide water use is supported by the Greenest City 2020 Action Plan and the implementation of a comprehensive citywide water reduction strategy. Accentuating this need were the unprecedented drought conditions experienced both locally and province-wide in 2015, making reduced discretionary potable water use for irrigation and greater water efficiency within all sectors a greater priority to prevent summertime water shortages and defer costly expansion of source water infrastructure. The City is currently working toward its water target under the Greenest City Action Plan of a 33% total per-capita water use reduction from 2006 levels.

Going forward, water conservation efforts will be about leveraging the momentum behind drought response behaviour change through strategic communication, expanding into corporate reduction efforts to demonstrate leadership and eliminate wasteful water use practices; identifying utility partnerships for projects with dual water and energy reduction benefits; and developing water efficiency policy and incentive programs for industrial, commercial and institutional (ICI) sectors.

Overall, by implementing these initiatives as a complement to existing programs, Vancouver has reduced its total per-capita water consumption by 14% from 2006 levels. In recent years, water consumption has been atypical compared to the trend over the last decade. From 2013 to 2015, total consumption increased, due to the warm dry weather and increases seen in the ICI sectors; this has been largely attributed to economic growth, increased tourism and the expansion of some institutional facilities. This trend has prompted an analysis to reveal the drivers for this behaviour, and to determine how to intensify the City's water conservation efforts.

Urban Forest Strategy

In 2014, the City and the Park Board rolled out the Urban Forest Strategy, which will provide the necessary tools to protect existing trees, plant trees more strategically and manage a healthy, resilient urban forest for future generations. Vancouver is home to an urban forest that comprises approximately 140,000 street trees, 300,000 park trees and many trees on private property. The urban forest plays important environmental and social roles, such as cleaning the air, absorbing stormwater, storing carbon, providing habitat and improving health and well-being. In 2014, the Park Board planted 11,960 new trees on both private and public property, and is forecast to exceed that number for 2015.



Protecting Our Climate and Local Economy

In late 2013, Kinder Morgan applied to the National Energy Board to triple the capacity of its Trans Mountain Pipeline system. This expansion would result in a seven-fold increase in the number of oil tankers traversing Vancouver's harbour. The City of Vancouver is an intervenor in the National Energy Board hearings and commissioned expert evidence on the potential impacts of the pipeline, including the risks from increased oil tanker traffic.

Expert evidence was received on a variety of topics, including: the long-term need for the pipeline given climate change; the potential impact of a spill to Vancouver's brand; the economic impact to marine-dependent parts of Vancouver's economy; available oil spill-response capacity; and the ecological impacts of an oil spill. Based on the expert evidence and public input, in May 2015 City staff recommended that Council confirm its position to oppose the pipeline expansion. The reports have also had spinoff benefits informing the work of the City's Emergency Management, Risk Management and Sustainability departments as well as the Vancouver Economic Commission.

Meanwhile, the City has been doing significant work to reduce Vancouver's greenhouse gas (GHG) emissions. This includes the Renewable City Strategy; unanimously approved by Council in November 2015, it lays out the strategic direction to be taken by the City to eliminate its dependence on fossil fuels and use 100% renewable energy before 2050. The City has also had success in implementing the Vancouver Neighbourhood Energy Strategy, including negotiating agreements and obtaining BC Utilities Commission approval to establish a new renewable energy system in Northeast False Creek. In addition, the Southeast False Creek Neighbourhood Renewable Energy system has now successfully completed five years of operations while meeting its environmental and financial performance targets, and has expanded its service area to the Great Northern Way Campus Lands in the False Creek Flats. This system has grown 260% since 2010, and now supplies low-carbon energy to 4.2 million square feet of customer buildings.

In 2015, the City issued a request for proposal for a Public Bike Share system, updating the earlier procurement activity, recognizing the evolution of technology, with the goal of bringing a system to the City in 2016, following a thorough evaluation and implementation planning process.

VALUE FOR MONEY

To continue providing increased services for residents of Vancouver without significantly increasing taxes, the City must deliver value-for-money invested. Examples of what has been achieved already include: registering for Park Board recreation programs is now easier thanks to an improved online system; trade permit requests can now be made electronically, with building and development applications available online in late 2015 and early 2016; and printing is becoming more economical while creating less waste. These and other changes are allowing the City to better serve its residents while creating more efficient internal systems and processes.

Performance Metrics

The City has embedded the value-for-money concept into all its services by linking budgetary decisions with service metrics. These service metrics are the key component of the City's performance measurement framework and drive performance and cost efficiency by answering the following four questions for each service:

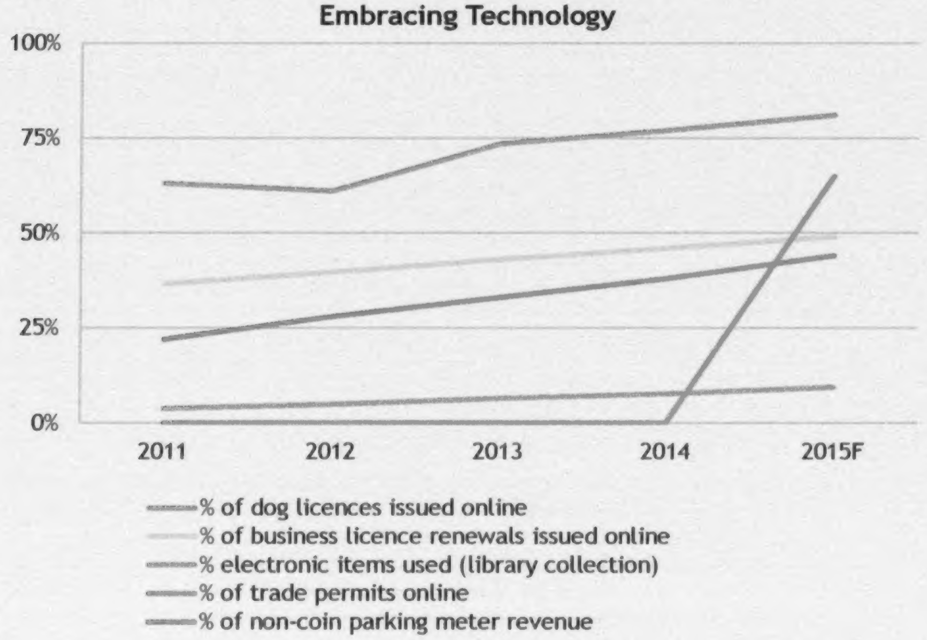
1. Quantity — How much did the City do?
2. Quality — How well did the City do it?
3. Cost efficiency — Was it cost effective?
4. Result — Is anyone better off?

The City began implementing this framework in 2012, and the 2015 Budget included service plans and more than 270 metrics across all City services. These metrics and plans will continue to be enhanced in the 2016 Budget and five-year financial plan.

Embracing Technology and Improving Business Processes

Through technology and business process improvements, the City of Vancouver continues transforming both internal processes and its service delivery.

Residents are increasingly taking advantage of the City's online offerings, including online renewals of business and dog licences, online trade permits, making non-coin payments at parking meters and borrowing items from the Vancouver Public Library's electronic collection.



Online Permits and Licences

In the past, applications for permits, licences, and related services required an in-person visit to a City office during weekday hours, and booking inspections required calling 3-1-1 and waiting. Today, more than 50% of the 180,000 permits and licences issued by the City are transacted online — at a time that is convenient for the customer.

Online services are now available for dog licensing, residential parking, security alarms, business licence renewals, signs and awnings, trades (plumbing, gas, sprinkler, electrical), alternate solutions, building grades, and street use. Additional online development, building, engineering and fire services are scheduled for introduction in late 2015 and early 2016.

Customers now have an increasing array of permit-related services that can be accessed at their convenience — application, payment, exchange of information, booking inspections, and monitoring status can now be completed online. This transformation is expected to be completed by mid-2016.

Recreation Registration System

In May 2015, a new registration system called ActiveNet was activated as a pilot for summer season registration for the West End and Coal Harbour community centres, followed by full implementation at all other centres in July and August — including a total of 23 community centres, nine pools and eight ice rinks. ActiveNet replaces an outdated and unreliable system with significant advances in system stability, increased online user experience, greater program registration flexibility, compliance with PCI (payment card industry) requirements, and better reporting capabilities. By the end of October 2015, enrollments for close to 70,000 people had been completed, online traffic was exceeding 260,000, and a total of more than $9.2 million in transactions had been processed.

Managed Print Services

In 2015, the City began implementing an internal pay-per-use printing service to minimize printing costs, reduce the City's environmental footprint, change printing behaviour and improve productivity. As of August 31, 2015 the project was on track to meet its goal of reducing overall print costs by more than 15%. This pay-per-use service replaces the previous patchwork of printing services covered by machines that were often past their serviceable life and acquired through a mix of leases, purchases and contracts for services which were not economically efficient.

COMPETITIVE RESIDENTIAL AND BUSINESS PROPERTY TAXES AND FEES

Vancouver is consistently ranked as one of the most livable cities in the world. It has also been heralded for its competitive advantage, with KPMG ranking the city as the second-most tax competitive city worldwide in 2014. *To sustain its competitiveness, the* City of Vancouver works to maintain an affordable environment for businesses and residents alike.

Over the years, Vancouver City Council has taken proactive steps to enhance affordability and support economic development. This includes:

- keeping property tax increases and tax rates competitive;
- bringing transformative changes to enhance customer service, efficiencies and accountability;
- implementing the Vancouver Economic Strategy to attract global talent, companies and investment;
- implementing the 2012-2021 Housing and Homelessness Strategy to increase the availability and range of affordable housing choices for all residents;
- implementing the Transportation 2040 Plan to enable a sustainable, efficient transportation system;
- implementing the Greenest City 2020 Action Plan, which is positioning Vancouver as a global leader in urban sustainability; and,
- adopting land use policies that preserve commercial, industrial and job space, promote affordable housing and childcare, and allow for accessible recreational facilities to attract and retain top talent.

Through these actions, Vancouver has experienced strong population growth, job creation and robust commercial development.

When developing the 2015-2018 Capital Plan, 2016-2020 Service Plans and 2016 Budget, the City carefully considered the impact of property tax, utility and user fee increases on businesses and residents. The goal was to balance the need to recover the City's costs while ensuring programs and services remained affordable, and taxes and fees competitive.

PROPERTY TAXES

Property taxes, levied by the City, fund approximately 57% of the City's operating budget. The City also collects property taxes on behalf of other taxing authorities, such as the Province of British Columbia (school tax), TransLink, BC Assessment, Metro Vancouver, and the Municipal Finance Authority of BC. It is important to note that Vancouver City Council has no control over taxes levied by these other authorities. The City's property tax accounts for approximately 50% of the tax rates while the other taxing authorities (OTAs) account for the remaining 50%.

Municipal Property Tax — When comparing property taxes across Metro Vancouver municipalities, it is important to consider several factors as the municipal property tax level reflects the mix of services a city provides, as well as quantity, quality and cost-effectiveness in service delivery. As council priorities and community expectations vary across municipalities, services and property tax levies vary from city to city.

As the regional capital in Metro Vancouver, the City of Vancouver provides a wide range of services to businesses and residents each and every day; it also provides these services to those who come to work in the city or visit. Vancouver's Stanley Park, English Bay, Queen Elizabeth Theatre, The Orpheum, Vancouver Art Gallery and Vancouver Aquarium, among others, function more like regional than local amenities. Annual events, such as the Celebration of Light, attract tens of thousands of visitors from across the region — all placing additional pressure on the City's public safety, emergency management, street-cleaning and infrastructure investments.

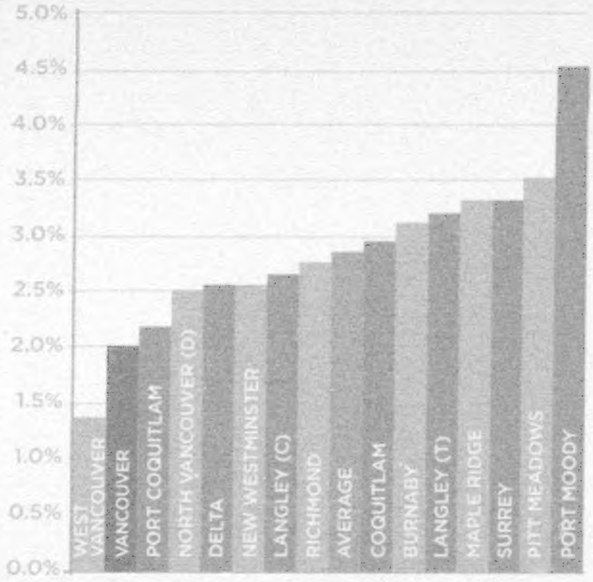
As a growing and diverse city, increasing the range and availability of affordable housing options for all residents is critical to Vancouver's social, environmental and economic health. Through Vancouver's Housing and Homelessness Strategy 2012-2021, the City continues working to end street homelessness and enable development of new affordable rental housing (e.g., Rental 100) in partnership with the private sector, non-profit organizations and senior levels of government. In recent years, the City has led the region in creating new interim housing units and low-barrier shelters for the homeless. (Refer to the Community Services Service Plan for further details.)

The City has also been the leader in supporting community partners through financial and in-kind contributions. In 2014, the City contributed approximately $96 million in the form of property tax statutory exemptions to healthcare and educational institutions, and charitable and not-for-profit organizations — equivalent to a $150 per capita contribution from Vancouver residents, one of the highest rates in Metro Vancouver.

The City continues striving to balance the affordability and competitiveness of property taxes, utility fees and user fees while sustaining the breadth and quality of services and programs for business and residents.

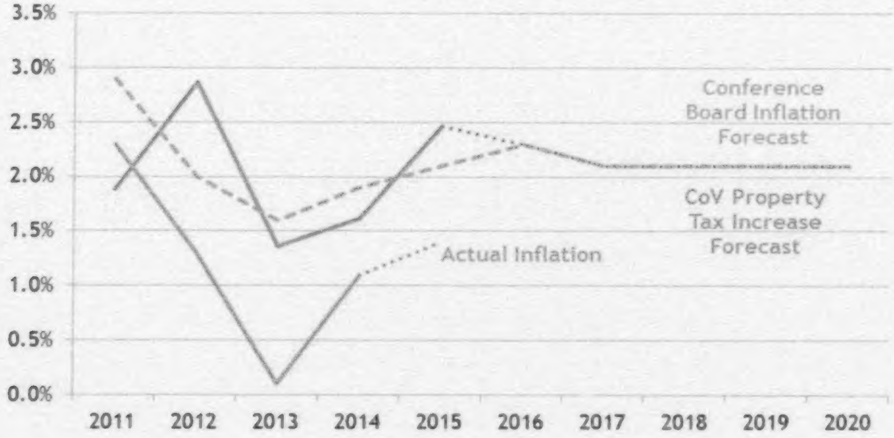
The following chart shows that the City's five-year average property tax increase was the second-lowest compared to other major cities in Metro Vancouver.

Five-Year (2011–2015) Average
Property Tax Increase (%)



As shown in the following chart, the City's property tax increase has been modest in recent years — average of 2%, ranging from 1.4%-2.9%. This increase generally aligned with the Conference Board of Canada's inflation forecast (1.6%-2.9%), available in fall of each year when the budget is developed. While actual inflation (0.1%-2.3%) has trended below forecast and the City's property tax increase, Vancouver compares favourably with other Metro Vancouver municipalities, with one of the lowest tax increases in the region.

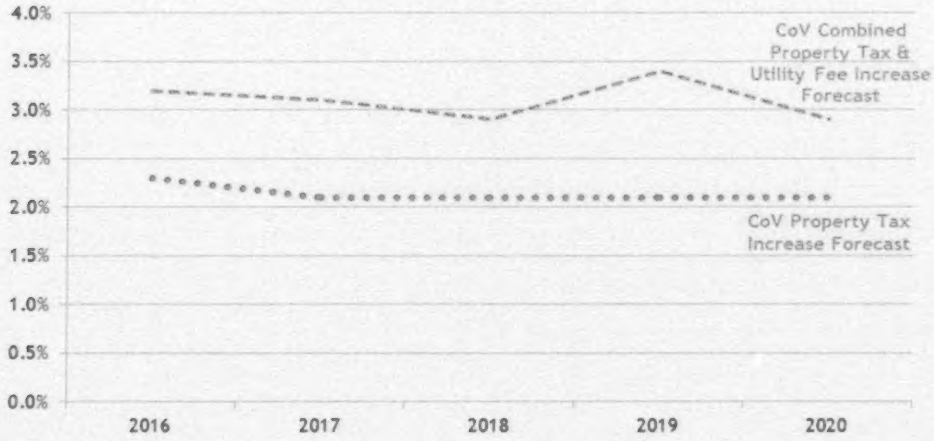
Property Tax Increases vs.Vancouver CPI (2011-2020)



During this period, the City has made substantial investments in affordable housing, childcare, social services, culture and public safety, as well as renewing critical infrastructure and enhancing the public realm — including sewer separation, transportation facilities for pedestrians, bicycles and vehicles, and parks and open spaces. All this was accomplished through ongoing efforts to innovate, and through business transformation and productivity enhancements, while absorbing significantly above-inflation wage increases.

Looking ahead, the City continues striving to align property tax increases with forecasted inflation. To continue renewing critical utility infrastructure and environmental sustainability investments, such as water conservation and sewer separation, the combined increase in property tax and utility fees is projected to, on average, be approximately 3.0% for the next five years.

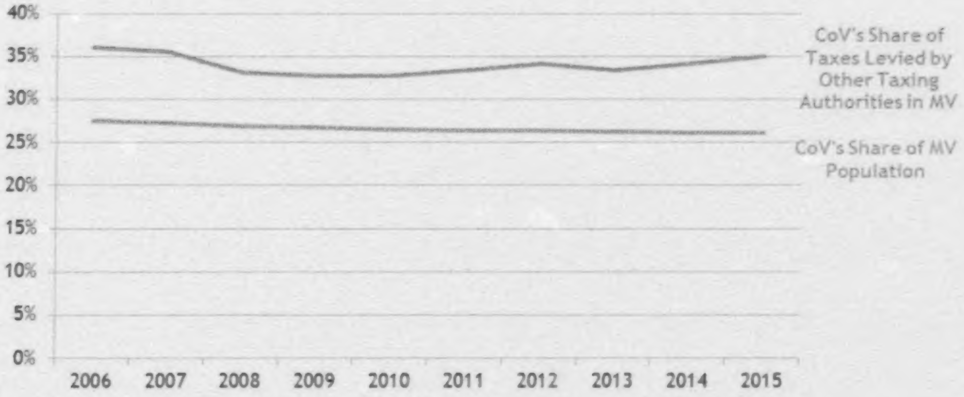
2016–2020 City Property Tax & Utility Fee Forecast Increase for a Median Single Family Home



Other Taxing Authorities — As property values in Vancouver are higher on average than those in other Metro Vancouver municipalities, Vancouver's property taxpayers have been shouldering a disproportionate share of regional property taxes levied by other taxing authorities (OTAs).

The chart below illustrates Vancouver's share of OTA levies has been much higher than its share of population within Metro Vancouver. Vancouver City Council has no control over the OTA levies and how they are distributed across the region.

The City of Vancouver's Share of Metro Vancouver Population vs. City's Share of Taxes levied by Other Taxing Authorities



Businesses – Over the last decade, Vancouver City Council twice engaged the Property Tax Policy Review Commission (PTPRC) to review the impact of property tax on businesses. Its 2007 review resulted in a five-year program to shift $23.8 million in property taxes from business to residential property classes; this shift was completed in 2012. In 2013, Council reconvened the PTPRC to reassess the situation. In 2014, the PTPRC concluded there was no evidence of an increasing business tax differential between Vancouver and other Metro Vancouver municipalities, or business investment moving from Vancouver to neighbouring municipalities. This suggests the tax shift program was effective in bringing Vancouver's business tax share in line with its peers. The following charts[5] compare the City of Vancouver to other Metro Vancouver municipalities with substantial commercial sections – Burnaby, Coquitlam, New Westminster, Richmond and Surrey.

The chart that follows compares ***Business Tax Share*** trends. As a result of tax shift decisions made by consecutive Councils over the last decade, Vancouver's business tax share has substantially decreased from 51.6% in 2006 to 42.9% in 2015. This represents a 9% reduction – the second most substantial improvement among comparable Metro Vancouver municipalities.

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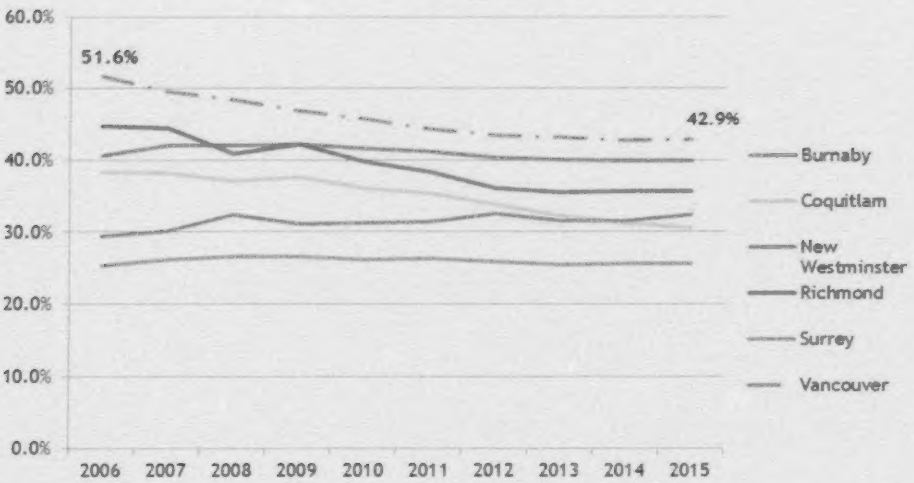
[5] http://www.cscd.gov.bc.ca/lgd/infra/statistics_index.htm

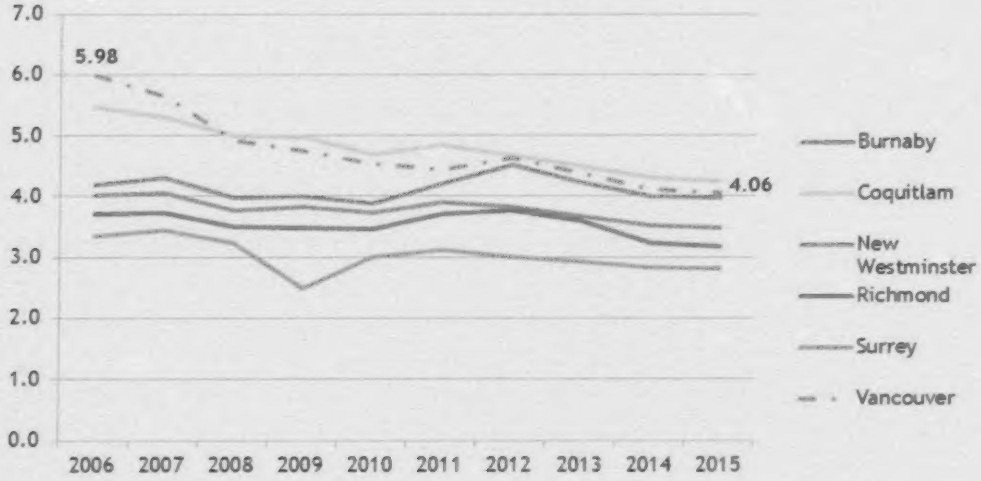
[5] www.bcstats.gov.bc.ca/StatisticsBySubject/Economy/BuildingPermitsHousingStartsandSales.aspx

Business Tax Share

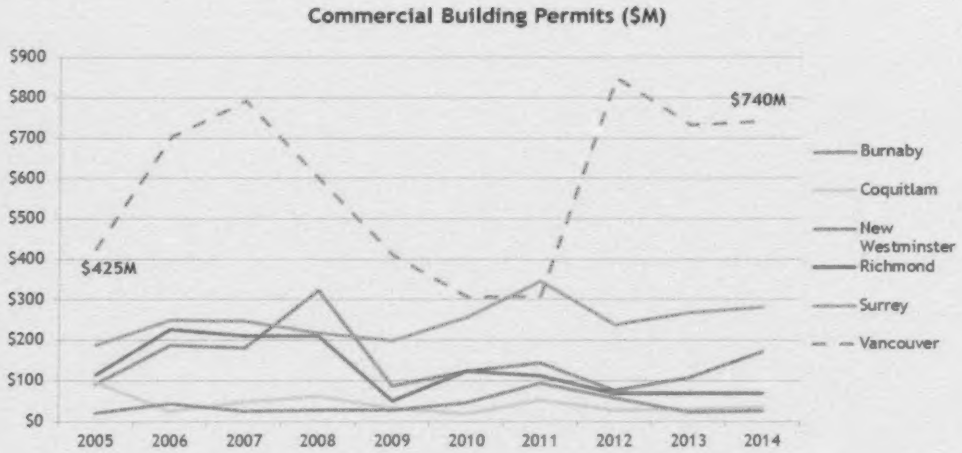


The following chart compares the ***Tax Rate Ratio*** (business tax rate/residential tax rate) trends. As a result of tax shift decisions made by consecutive Councils over the last decade, Vancouver's business tax rate ratio has improved substantially – from 5.98 in 2006 to 4.06 in 2015. This represents a 32% reduction in Vancouver, the most improved among comparable Metro Vancouver municipalities.

Business Tax Rate Ratio



The chart below compares trends in ***Commercial Building Permits***. While the value of commercial building permits has changed between -28% and 125% in the five benchmark Metro Vancouver municipalities, Vancouver's rate has increased 175% — from $425 million in 2005 to $740 million in 2014.

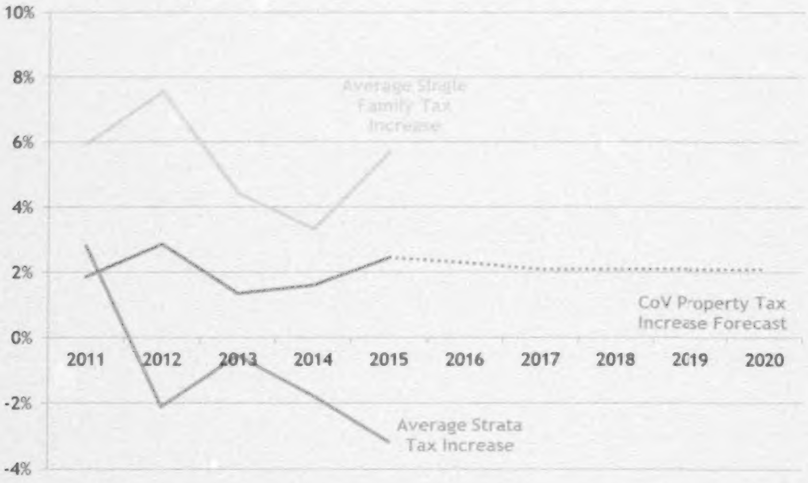


Residents — In 2015, 44% of residential properties in Vancouver are single-family homes, 51% are strata units and the remaining 5% are other forms of residential. BC Assessment determines the value of properties in British Columbia based on their '"highest and best use" as defined by zoning and market evidence; Vancouver City Council has no control over these determinations.

While the Council-directed property tax increase applies to the overall tax levy, the extent of change in an individual property's tax year-over-year is determined primarily by how that property's assessed value has changed relative to the average change within its property class. Properties with a higher increase in value relative to the class average change could experience a much higher increase in property tax beyond the Council-directed increase, while properties with a lower increase in value could experience no change or a reduction in property tax.

The following chart shows how the differential increase in assessed values impacts property tax across different property types. As the value of single-family homes has increased at a much faster pace than strata condominiums in the last five years, single-family homes have experienced a rise in property tax above the Council-directed increase, while strata condominiums have experienced a reduction in property tax.

CoV Property Tax Increases for Single Family vs. Strata



When compared to other Metro Vancouver municipalities, an average single-family home pays higher property tax in Vancouver than the regional average due mainly to the much higher property value in Vancouver. However, an average strata condominium pays approximately the same property tax in Vancouver as the regional average.

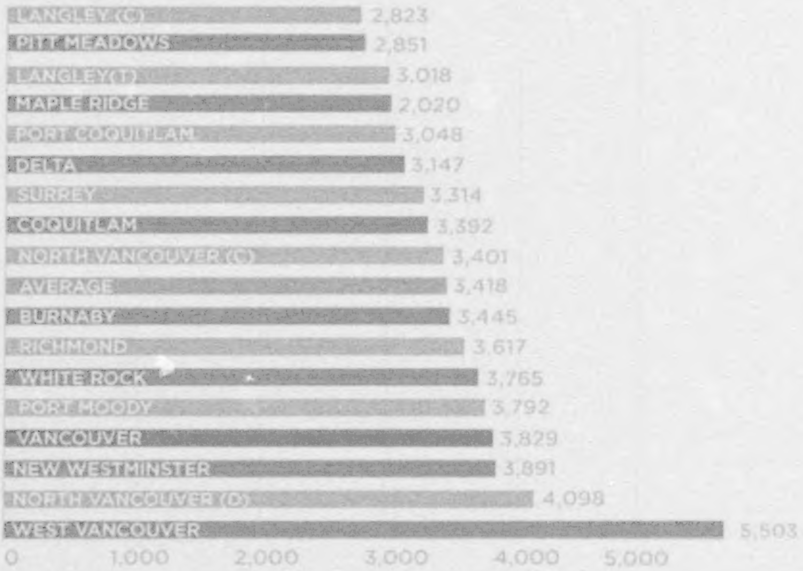
The following **provincial tax relief measures**, offered by the Province of British Columbia, are available to residential property owners and can be applied independently or in combination to alleviate some taxation impact.

- ***Assessment Act s19(8)*** — Available to property owners who have continuously occupied their principal residence for at least 10 years; land is assessed based on current zoning rather than anticipated zoning or development potential
- ***Property Tax Deferment*** — Available to property owners 55 years of age or older who occupy their principal residence; also available for families with children under 18 years
- ***Home Owner Grant*** — Available to property owners occupying their principal residence, as long as the value falls within a qualifying range

To complement these provincial measures, the City uses targeted land assessment averaging to further alleviate tax impact on "hot" properties (defined as those that have experienced significant year-over-year increases in property values above the "threshold" set by Vancouver City Council). The policy's intent is to reduce the level of tax increases on the targeted properties until such time as the property is no longer considered "hot." Vancouver is the only municipality in British Columbia to use land assessment averaging.

The following chart compares the 2015 ***Municipal Property Tax and Utility Fees*** for an average single-family home with those of other Metro Vancouver municipalities.

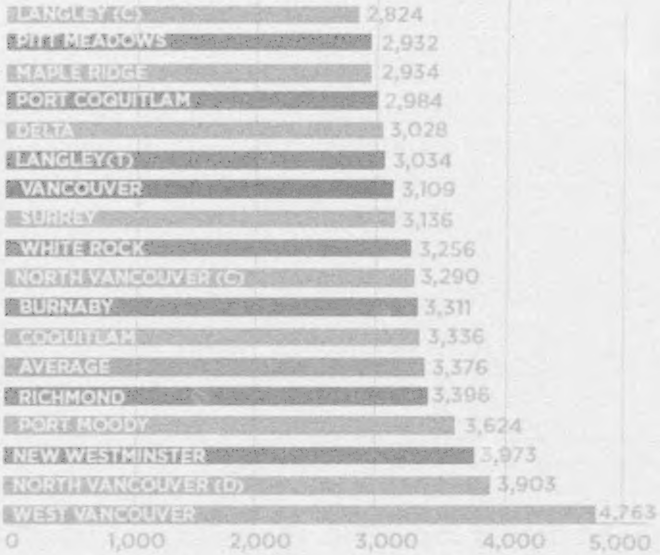
2015 Municipal Property Tax and Utility Fees for Average Single-Family Home ($)



*Utility fees for certain municipalities based on Provincial Local Government Statistics Taxes & Charges on a Representative House (cscd.gov.bc.ca/lgd/infra/library/Schedule704_2015.xls)

Given the wide range of housing prices in Vancouver (from the lowest strata unit of $0.1 million to the highest residential single-family unit above $57 million), use of average property values for benchmarking purposes is not representative for Vancouver. Instead, for benchmarking purposes comparing median properties is more meaningful. The following chart compares the 2015 ***Municipal Property Tax and Utility Fees*** for a median single-family home relative to other Metro Vancouver municipalities. Vancouver sits below the Metro Vancouver average.

2015 Combined Municipal Property Tax and Utility Fees for Median Single-Family Home ($)



*Utility fees for certain municipalities based on Provincial Local Government Statistics Taxes & Charges on a Representative House (cscd.gov.bc.ca/lgd/infra/library/Schedule704_2015.xls)

Comparing median single-family homes, Vancouver tax and utility fees are mid-range in Metro Vancouver.

UTILITY FEES

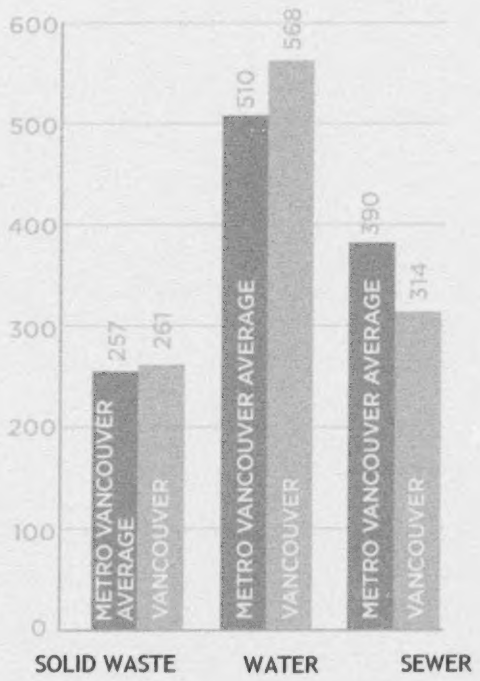
The City collects utility fees to fund water, sewer and solid waste services, accounting for approximately 20% of the City's annual operating budget.

Approximately 46% of the utility budget represents water and sewer charges levied by Metro Vancouver — over which Vancouver City Council has very limited control; 25% represents capital investments such as sewer separation and infrastructure renewal; and the remaining 29% represents utility operations.

In 2012, the Water Utility started transitioning its infrastructure renewal program from debt financing to pay-as-you-go to save interest costs over the long term. Rates have also been set to incentivize water conservation. In 2015, the Sewer Utility began a similar transition from debt financing to pay-as-you-go. Citywide sewer separation work will continue as part of infrastructure renewal, with completion targeted around 2050. This work, as well as construction of the future secondary treatment plant at Iona, will continue putting pressure on future sewer rates.

The chart that follows compares the City's utility fees with the average charges in comparable Metro Vancouver municipalities. Overall, the City's aggregate utility fees are $1,143, which is in line with average charges of $1,157 in comparable Metro Vancouver municipalities. Comparison by utility type reflects the following:

- Solid waste – The City has not yet commenced transition of the recycling program to Multi-Material BC (MMBC).
- Water – The City continues to proceed with the water conservation program as part of the Greenest City Action Plan strategy, with fees structured to help achieve this objective. The City continues to transition from debt financing to pay-as-you-go to reduce debt interest costs; and,
- Sewer – The City continues advancing sewer separation work, with targeted completion around 2050.



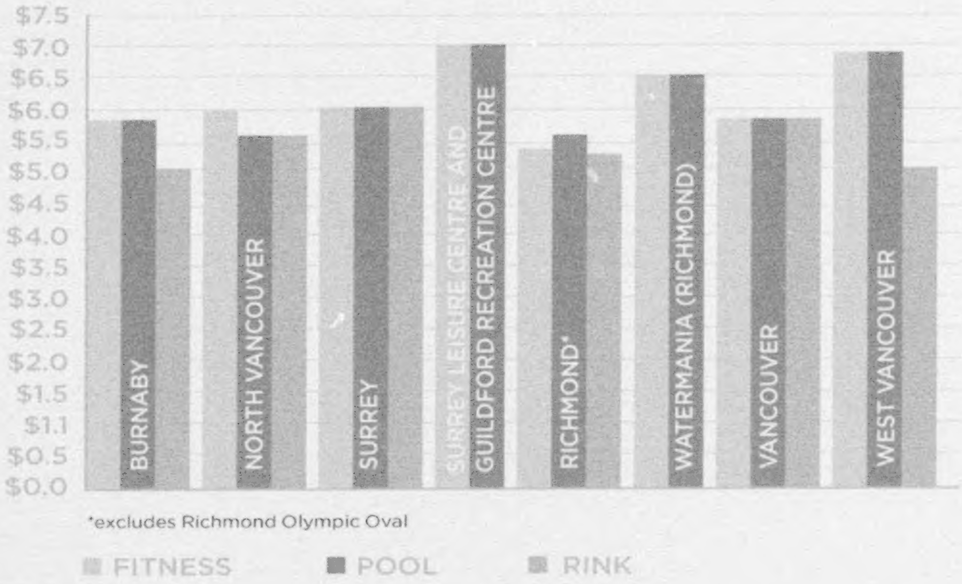
2015 Utility Fees: City vs. Comparable Metro Vancouver Municipalities ($)

USER FEES

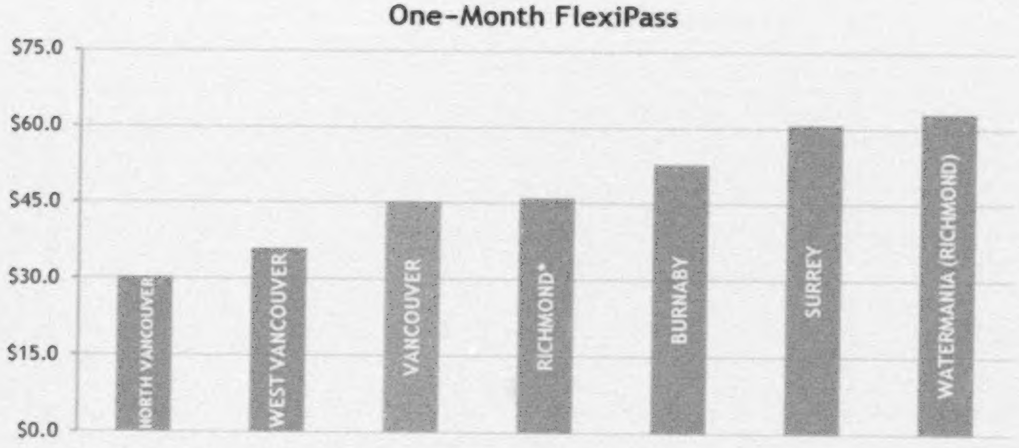
Besides property taxes and utility fees, the City collects user fees for on-street parking and use of recreational facilities (such as fitness centres, swimming pools and ice rinks). Fees are typically set to recover some or all costs associated with delivering these services, taking into consideration users' ability to pay and pricing competitiveness relative to similar private and public service providers.

The following two charts below compare various user fees for fitness centres, pools and rinks across Metro Vancouver municipalities. Charges at Vancouver facilities remain very competitive in the region.

2015 Drop-in Fees for Fitness, Pool and Rink



*excludes Richmond Olympic Oval


One-Month FlexiPass

*excludes Richmond Olympic Oval

OPERATING BUDGET

The proposed operating budget for 2016 is $1.264 billion, an increase of 3.4% or $41.1 million over 2015. Highlights of the 2016 operating budget follow.

Revenue Highlights for 2016

- A property tax increase of 2.3%, in line with projected inflation, which provides funding for cost increases in existing services as well as new investment in key priorities.
- A water utility rate increase of 4.2%, due to higher Metro Vancouver water rates that fund infrastructure improvements throughout the region; the deferred impact of prior year cost of service increases previously mitigated using the Water Rate Stabilization Reserve; and realignment of the flat-fee rate to to the actual distribution of flat fee and metered customers. Water conservation plans are in place to meet the City's Greenest City Action Plan (GCAP) goal of reducing total per-capita water use by 33% from 2006 levels by 2020. Lower water consumption results in increased rates to recover the fixed costs of the system over a reduced volume. Approximately 1,000 homes are expected to switch from flat rate to metered rate next year, allowing home owners to benefit from cost savings from reduced water use.
- A sewer utility rate increase of 9.9%, due to higher Metro Vancouver rates – including costs for site preparation for secondary treatment at Iona and ongoing replacement and separation of sewer infrastructure. As with Water, lower water consumption results in increased sewer rates to recover the fixed costs of the system over a reduced volume.
- No change in Solid Waste utility fees for garbage, recycling or green bin collection.
- A 1.4% average rate increase in Park Board user fees (fee changes for specific programs/activities are approved by the Vancouver Board of Parks and Recreation and will depend on market factors).
- 2.0% in inflationary increases, for most other fees – including those related to development, building, trades and related permits and approvals. As well, given the significant gap between City costs to process rezoning and development permit applications and the revenues generated by these permits, rezoning fees will be increased by an additional 30% while some development permit fees will be raised by an additional 10-15%, an average of 5%.

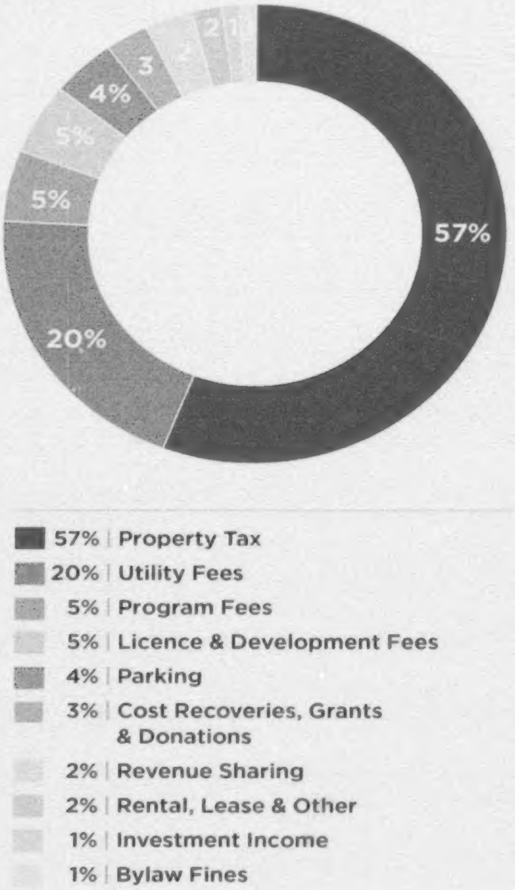
Expense Highlights for 2016

- New investments in Council priorities totalling $11.6 million toward initiatives including: improved street-cleaning and recycling for the public realm; resources to reduce permit wait times; investments in process improvements and new technology to support business transformation and improve the cost of service across the five-year plan period; funding to cover the operating impacts of new capital projects coming into service in 2016, including those for the nə́c̓aʔmat ct Strathcona Branch Library and new fire trucks for Vancouver Fire and Rescue Services.
- $10.9 million in additional costs for utilities, reflecting costs passed on by Metro Vancouver to support ongoing infrastructure improvements; funding for water conservation, debt servicing and transfers to reserves.

The following section provides an overview of the main factors driving change in the 2016 Operating Budget compared to 2015. Detailed service budgets for each City department are outlined in Part II, Department Service Plans.

OPERATING REVENUES

2016 Operating Revenues
($1,264 million)



The City of Vancouver has a stable and predictable revenue base, with property tax and utility fees making up more than three-quarters of the City's operating revenue. Program fees and other revenues are more variable, as economic cycles can impact development-driven revenue streams, such as building permits and use of services such as civic theatres, while weather can impact revenue from outdoor activities at City-owned facilities such as golfing.

The following table highlights major changes in the 2016 revenue budget compared to 2015:

2016 Revenue Increase Summary:	$000s
Property tax levy increase at 2.3%	15,300
Property tax revenue from New Construction	6,000
Increased Business Improvement Association levy	1,017
Realignment of Civic property rental income to general levy	939
Other property tax-related revenue	132
Total Property tax	**23,388**
Water revenue	1,996
Sewer revenue	5,007
Solid Waste revenue	2,798
Neighbourhood Energy revenue	656
Total Utility revenue	**10,458**
Licence and Development revenue	3,084
Program revenue	2,478
Parking revenue	1,969
Other revenue	447
Investment income	433
Parking Bylaw fine revenue	386
Cost recoveries, grants & donations	281
Civic Property rental revenue	(1,843)
Total Fees and other revenue	**7,235**
Total	$ 41,081

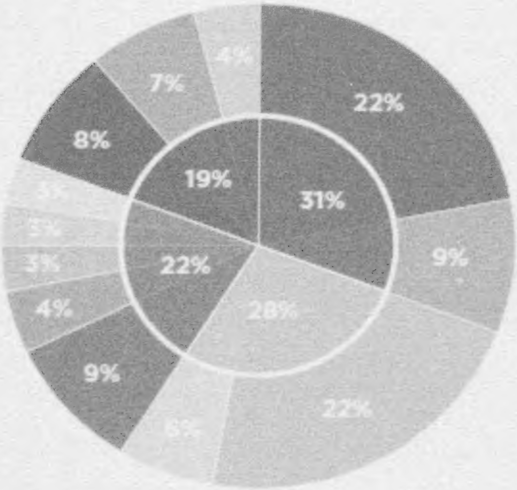
Note: Totals may not add due to rounding

At 57%, property tax is the largest component of the City's operating revenue, and is budgeted to increase $23.4 million. This reflects additional property tax of $6.0 million related to new construction added to the property tax roll; $15.3 million based on a 2.3% property tax increase; an additional $1.0 million for increased Business Improvement Association levies approved by Council in 2015; and other revenue changes of $1.1 million.

Utility revenue makes up 20% of total operating revenues, with an overall increase of 4.4% over 2015. Utility revenues are based on full-cost recovery through utility fees. In 2016, water rates are increasing 4.2%; sewer rates are increasing 9.9%; solid waste rates are not increasing (0%); and Neighbourhood Energy Utility (NEU) rates are increasing by 3.2%. Additional details on rate increases are included in the Utility Cost Increases section below.

OPERATING EXPENDITURES

2016 Operating Expenditures by Service Area ($1,264 million)



● PUBLIC SAFETY
- ■ 22% | Police
- ■ 9% | Fire

● ENGINEERING & UTILITIES
- ■ 22% | Utilities
- ■ 6% | Engineering Public Works

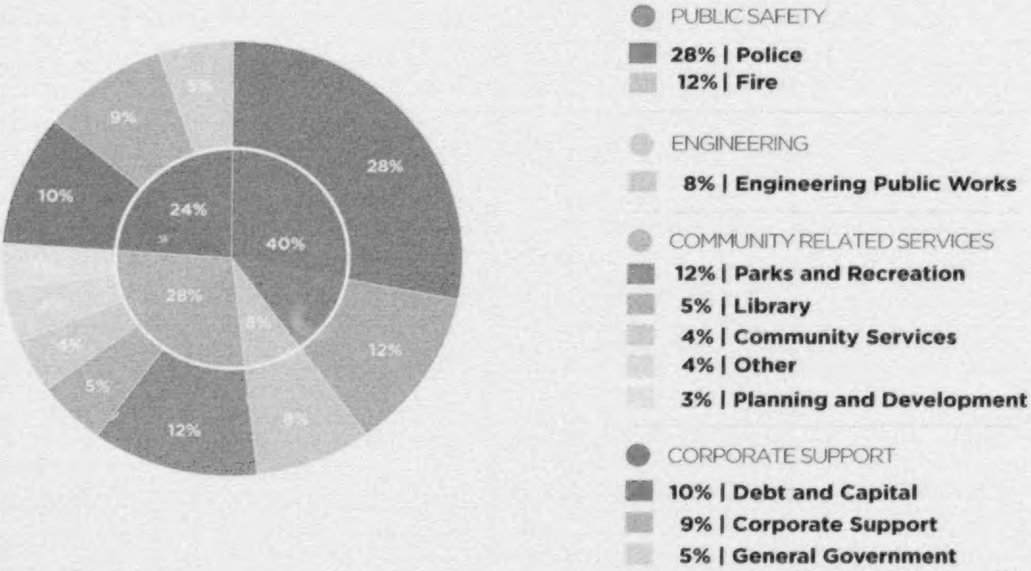
● COMMUNITY-RELATED SERVICES
- ■ 9% | Parks
- ■ 4% | Library
- ■ 3% | Planning & Development
- ■ 3% | Community Services
- ■ 3% | Other

● CORPORATE SUPPORT
- ■ 8% | Debt & Capital (Non-Utility)
- ■ 7% | Corporate Support
- ■ 4% | Contingencies & Transfers

Public Safety (Police, Fire and Rescue services) are the largest component of the Operating Budget at 31% of total expenditures, while Utilities and Engineering Public Works account for 28% of operating expenditures. Community-related services, including Parks and Recreation, Library, Community Services and Planning and Development, make up another 22% of the budget, with the remaining 19% for corporate activities (including debt costs and contributions to capital projects).

In the chart below, excluding utilities (which are funded primarily from utility rates), the Operating Budget — supported by taxes and fees — is $981.0 million. Forty per cent of the tax- and fee-supported budget goes to fund public safety; as such, even a small percentage increase in cost in these areas can result in a large increase in the Operating Budget. Recent trends of wage growth in public safety above inflation and other civic bargaining units, in addition to growth in fixed costs, have resulted in significant pressure on property taxes which have been somewhat mitigated in past years through productivity savings and increased fee revenues in other areas.

2016 OPERATING EXPENDITURES EXCLUDING UTILITIES ($981 MILLION)



Total operating expenditures in 2016 are budgeted to increase by 3.4% ($41.1 million) over 2015. This increase reflects $18.6 million in cost increases for existing services excluding utilities, $10.9 million increase in utilities expenses, plus $11.6 million in investments aligned to key priorities (outlined in the table that follows).

INVESTMENTS

The City regularly realigns existing resources and spending levels to valued services and priorities that change over time. Where necessary, the City makes informed new investments in priorities. The 2016 Operating Budget includes $11.6 million in new investments — funded either from incremental revenue, savings or reprioritization across the organization.

2016 Operating Budget Investments	$000s
Healthy and Inclusive City	**4,324**
Public Realm Cleanliness	2,800
New néc̓a?mat ct Strathcona Library Operating Costs	446
Downtown Eastside Initiatives	300
Aboriginal and Intergovernmental Relations Staffing	288
Funding for Library Collections	200
Healthy City Strategy Implementation	150
Engaged City Task Force	140
Parks, Playfields and Green space	**1,445**
Operating costs for online registration and payment system	970
Additional cleaning for public washrooms	175
Increased Tree Watering	150
Urban Forest Strategy	150
Planning and Development	**2,819**
Permit processing staff to reduce wait times	2,119
Operating costs of new online permitting system	700
Public Safety and Emergency Management	**1,870**
Operating funding for new fire trucks, fire boats, and resource planning	1,434
Citywide Driver Services training	290
Operating costs of VPD digital evidence software and server upgrades	146
Other	**1,170**
Funding for process improvement to enable Citywide business transformation	225
Civic theatre improvements and operational investments	230
Additional funding for the Vancouver Affordable Housing Agency	200
Move to electronic payments	150
Fibre optic network maintenance	120
Safety compliance investments	90
Operational lease management	80
Georgia and Dunsmuir Viaducts project planning	75
Total Operating Budget Investments	**$ 11,628**

Note: Totals may not add due to rounding

These increased investments are targeted to Council priority areas and reflect feedback received through public engagement activities in 2014 and 2015. Key areas include:

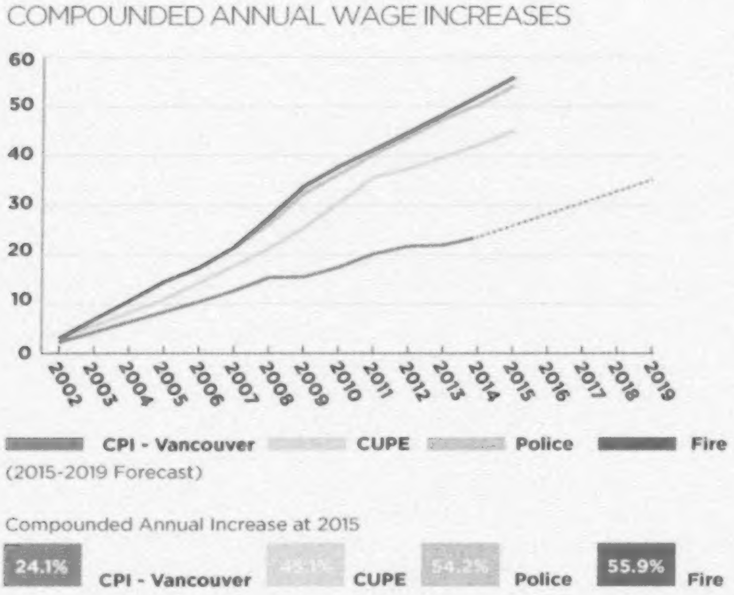
- **Healthy and inclusive city** — 2016 Budget includes $2.8 million to support improved public realm cleanliness, including funding for increased street cleaning and abandoned waste pickup. The new néc̓a?mat ct Strathcona Branch Library is scheduled to open in the second half of 2016, with $0.4 million in new funding for new staff and library operations included in the budget, as well as an additional $0.2 million for the purchase of collection materials for all library branches. Full-year funding for Downtown Eastside initiatives as well as an economic development plan for the neighbourhood (the Downtown Eastside Plan) represents a significant investment. Staffing for Aboriginal and intergovernmental affairs will support the City's strategy for a City of Reconciliation and relationship-building with the provincial and federal governments with the goal of improving the City's ability to leverage infrastructure funding opportunities. Funding to support implementation of Healthy City Strategy action items and Engaged City Taskforce recommendations approved by Council are also included;

- **Parks, playfields and green space** — As the new recreation program registration system went live in 2015, the 2016 budget includes funding to cover ongoing operating costs — including system support costs and credit card fees. This new system enhances the registration experience and includes mobile and online payment options. A total of $0.3 million is planned for increased tree-watering as well as caring for newly planted trees, part of the City's Urban Forest Strategy. This funding will help maintain the health of City trees and aid in preserving the health of trees in drought conditions, such as those experienced in 2015. Funding is also included for increased washroom-cleaning services at Park Board facilities to improve the visitor experience;
- **Planning and Development** — In 2014 and 2015, the City received record numbers of new development applications which resulted in increased permit wait times. To address this demand, the 2016 budget includes $2.1 million in funding for planning and development services resources to address the backlog of permits and reduce permit wait times. An additional $0.7 million is budgeted for system support of the new online permitting system, to be fully implemented in early 2016;
- **Public safety and emergency management** — Delivery of a new fleet of fire trucks, approved as part of the 2014 Capital Budget, will begin in 2016. The additional fleet operating costs have been budgeted. So too, have operating costs for new digital evidence software for the Vancouver Police Department (VPD), the software will help the VPD manage and organize an increasing volume and variety of digital evidence being collected. Funds have also been budgeted for improvements to the Driver Services training program, led citywide by Vancouver Fire and Rescue Services (VFRS). These improvements will ensure compliance with all regulatory requirements and reduce costs related to accidents and fuel consumption; and,
- **Other** —The City continues investing in business transformation, process improvements and Information Technology (IT) to improve service delivery and cost efficiency. The 2016 Budget includes $0.2 million to support Citywide process improvement initiatives. As well, the Vancouver Affordable Housing Agency (VAHA) budget reflects $0.2 million in additional funding for 2016, as approved by Council in 2015. VAHA's mandate is to enable delivery of 2,500 units of affordable housing by 2021 through a phased approach. The target for Phase I is 500 units, followed by an interim evaluation before proceeding on delivery of Phase II and the remaining 2,000 units. For 2016, VAHA's operating budget is $1.0 million — funding that covers staffing, consultancy and Board expenses. The capital funding required is included in the 2016 Housing Capital Budget. Civic Theatres are undergoing transformation, and investment funding has been included to increase future revenue. Compliance requirements in worker safety, lease

management and fibre-optic network maintenance have been allocated $0.3 million in new investment. The operating budget includes $0.075 million for project planning for the Georgia and Dunsmuir viaducts, as approved by Council. The majority of funding for this project will come from the capital budget.

MANAGING COSTS FOR EXISTING SERVICES

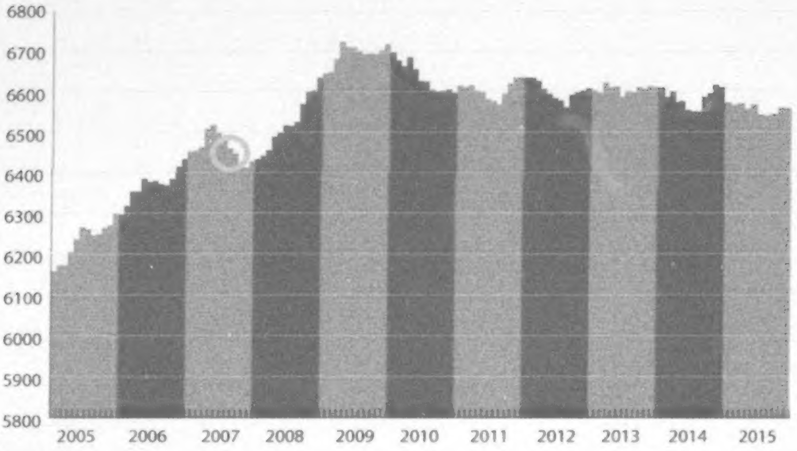
At 57% of the City's operating budget, wage and benefit costs represent the largest expenditure and those that have put the most pressure on taxes and fees in recent years. The historic trend has been above-inflation cost increases, in particular wage increases for Vancouver Fire and Rescue Services and the Vancouver Police Department, as shown in the following graph.



In addition to wages, associated benefits such as pension contributions, particularly for public safety, have been growing faster than inflation and contributing to pressures on the Operating Budget.

Collective agreements across all City, VPD and Vancouver Public Library (VPL) unions, with the exception of the Vancouver Police Officers Association, expire at the end of December 2015. The City and Boards will continue working with the unions toward reaching new agreements, however the timing and financial impact are unknown at the time of writing. As agreements are approved by Council, the budget and planned spending will be adjusted accordingly. Each 1.0% increase in wages Citywide equates to approximately $7.0 million in additional cost, or approximately a 1.0% additional property tax increase.

ACTIVE REGULAR FULL-TIME STAFF



(Note: Count as of last day of month. ○ Job Action 2007)

Regular full-time staffing levels have come down since the peak prior to the economic downturn and the Olympics. Staffing trends have leveled off over the past few years. Staffing is anticipated to remain stable with new investments, and conversions of temporary to regular full-time staff, which will be partially offset by attrition and retirements, as departments realign resources to service level needs.

Utility Cost Increases

Utility expenditures are increasing by 4.0%, primarily due to increasing regional utility charges passed along by Metro Vancouver to support infrastructure improvements.

Water utility rates will increase by 4.2%, which is less than a $0.05 increase per 1,000 litres of water consumed. This increase is necessary because of:

- An increase of 1.9% in Metro Vancouver water rates that fund infrastructure improvements throughout the region, including improvements to reservoirs and filtration to provide a high-quality water supply as Vancouver grows;
- Deferred impact of prior-year cost of service increases, previously mitigated using the Water Rate Stabilization Reserve; and
- Realignment of the flat-fee rate to the actual distribution of flat fee and metered customers. Water conservation plans are in place to meet the City's Greenest City Action Plan (GCAP) goal of reducing total per-capita water use by 33% from 2006 levels by 2020. Approximately 1,000 homes are expected to switch from flat to metered next year, allowing homeowners to benefit from cost savings from reduced water use.

Sewer utility rates will increase by 9.9%, or $31 per year for a single-family residence. This increase is necessary due to:

- a 7.4% increase in the Metro Vancouver levy, which includes costs for site preparation for secondary treatment at Iona. The Iona plant must be upgraded to secondary treatment by no later than 2030 to meet regulatory requirements; preparatory work has already begun. The cost of this facility will impact sewer rates in future, but the investment will help reduce environmental impact as the City and region continue growing in population. A $0.5 million reduction in pay-as-you go capital funding in 2016 will help mitigate the impact of the Iona plant site preparation; and,
- a 1.6% increase is due to higher debt-servicing costs related to capital programs supporting sewer main replacement and a sewer system that continues to function reliably as the Vancouver grows.

In addition, as sewer rates are based on water consumption, and as water consumption is expected to decrease, sewer rates are adjusted to take into account the change in volume.

Other Cost Increases

Over the past several years, the City has used strategic procurement and centralized purchasing to achieve the best value-for-money for taxpayers and reduce pressure from non-salary-related cost increases. However, certain cost areas passed on from external agencies (over which the City has limited control) have shown a continued growth trend above inflation. Such costs include BC Hydro energy rates, which increased 9.0% in 2015 and 6.0% in 2016; a proposed 5.5% increase in Insurance Corporation of British Columbia (ICBC) insurance costs; and WorkSafeBC premiums, which increased by 21% in 2015. The decrease in the value of the Canadian dollar relative to the U.S. dollar has also put pressure on related purchases in U.S. dollars, such as those associated with certain library materials and IT software contracts. Decreases in the price of fuel have helped offset some of these cost increases.

Vancouver Police Department fixed costs will increase by $1.3 million, due to increasing costs relating to E-Comm as well as salary and benefit cost increases from increments based on years worked and a staffing and training costs related to the timing of expected attrition and hiring. Sworn officer salary increments are a function of advancing through the ranks, years of service and training, therefore these regular fixed cost increases require investment even in years without a collective agreement in force. The federal government has transferred costs for DNA analysis to the provinces. The BC provincial government has proposed downloading a portion of these costs to municipal police agencies, a $0.6 million risk to the City's budget if implemented.

Productivity Savings and Cost Management

Throughout 2015, City departments continued reprioritizing resources and transforming operations to deliver on key priorities and service requirements. As part of the 2016 Budget process, departments continue identifying where costs can be adjusted and resources reprioritized to focus on the highest-impact areas. Digital services and transactions are increasingly being delivered electronically and through 3-1-1 rather than in person, improving the productivity of City resources. Also, by holding vacancies through close management of attrition and retirement and adjusting budgets for lower costs in areas such as fuel prices, adjustments and productivity, savings of nearly $2.5 million have helped mitigate the impact of above-inflation, fixed-cost increases. This has enabled investment in key initiatives.

DETAILED OPERATING BUDGET TABLE

The section provides a detailed breakdown of the 2016 Operating Budget, outlining each major revenue and expense category. The budget schedule shows the year-over-year impact of changes by revenue type and department expenditure. Significant changes are outlined in the notes at the end of the detailed budget. Departmental budget changes are explained in Part II, Department Service Plans.

The 2015 Budget has been restated so 2015 and 2016 are comparable. There is no net impact of these restatements on the City's total operating budget. The restated budget for 2015 reflects the following adjustments:

- **Interdepartmental reorganizations** — Where activities and costs have moved between departments, the original budget has been restated to reflect an appropriate year-over-year comparison.
- **Changes in shared support services policy** — Beginning in 2015, the costs of corporate shared support services directly attributable to an individual department (for example, dedicated staff and resources in corporate service areas such as Finance, IT, Procurement, building occupancy costs and 3-1-1) are shown in department budgets; this aligns to best practice while more accurately reflecting cost of service. The shared support services policy is reviewed annually; for comparability, the 2015 Budget has been restated to reflect the current policy.

City of Vancouver

Operating Budget ($000)

Revenue ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)	Notes
Property tax revenue					
General Levy	657,017	679,256	22,239	3.4%	1
Business Improvement Association levies	10,175	11,192	1,017	10.0%	
Other property tax related	26,184	26,316	132	0.5%	
Total Property tax revenue	**693,376**	**716,764**	**23,388**	**3.4%**	
Utility revenue					
Water revenue					
Metered water charges	57,526	57,298	(228)	(0.4%)	
Flat rate water charges	44,878	46,909	2,032	4.5%	
Meter charges	3,700	3,774	74	2.0%	
Fire line charges	2,700	2,754	54	2.0%	
Other water revenue	514	579	65	12.6%	
Total Water revenue	**109,317**	**111,314**	**1,996**	**1.8%**	2
Sewer revenue					
Metered sewer charges	34,702	37,028	2,325	6.7%	
Flat rate sewer charges	24,868	27,495	2,627	10.6%	
Industrial waste water fees	732	786	54	7.4%	
Other sewer revenue	917	917	-	-	
Total Sewer revenue	**61,219**	**66,226**	**5,007**	**8.2%**	3
Solid Waste revenue					
Collection revenue					
Annual collection fees	26,795	26,854	59	0.2%	
Multi-Material BC recoveries	8,169	8,200	31	0.4%	
Other collection revenue	38	41	3	8.8%	
Subtotal Collection revenue	**35,003**	**35,096**	**93**	**0.3%**	
Disposal revenue					
Tipping fees	25,195	29,768	4,573	18.1%	
Metro & Delta's revenue-sharing	314	(1,400)	(1,714)	(545.4%)	
Other disposal revenue	3,098	2,945	(153)	(4.9%)	
Subtotal Disposal revenue	**28,608**	**31,313**	**2,706**	**9.5%**	4
Total Solid Waste revenue	**63,610**	**66,409**	**2,798**	**4.4%**	
Neighbourhood Energy revenue					
NEU fixed levy	2,182	2,521	339	15.5%	
NEU energy charge	1,501	1,818	317	21.1%	
Total Neighbourhood Energy revenue	**3,683**	**4,339**	**656**	**17.8%**	5
Total Utility revenue	**237,830**	**248,288**	**10,458**	**4.4%**	

Note: Totals may not add due to rounding

City of Vancouver

Operating Budget (continued)

Revenue ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)	Notes
Parks & Recreation program revenue					
Recreation revenue					
Admissions	8,887	9,311	424	4.8%	
Programming	4,120	4,361	241	5.9%	
Recreation facility rentals	3,956	4,005	49	1.2%	
Other recreation revenue	598	683	85	14.3%	
Subtotal Recreation revenue	**17,560**	**18,359**	**799**	**4.6%**	
Golf revenue	9,148	9,323	175	1.9%	
Marinas & Attractions revenue					
Marinas	3,174	3,238	63	2.0%	
VanDusen Gardens	2,858	3,313	455	15.9%	6
Stanley Park Mini Train	1,520	1,520	-	-	
Bloedel Conservatory	580	592	12	2.0%	
Other attractions	89	89	-	-	
Subtotal Marinas & Attractions revenue	**8,222**	**8,752**	**530**	**6.4%**	
Lease & concession revenue	6,333	6,210	(123)	(1.9%)	
Other Parks & Recreation revenue	434	436	3	0.6%	
Total Parks & Recreation program revenue	**41,697**	**43,081**	**1,383**	**3.3%**	6
Civic Theatres program revenue					
Theatre facility rentals	5,140	5,347	207	4.0%	
Concession revenue	1,166	1,254	88	7.6%	
Ticket surcharges	1,295	1,874	579	44.7%	
Other Civic Theatres revenue	113	231	118	104.6%	
Total Civic Theatres program revenue	**7,714**	**8,705**	**992**	**12.9%**	7
Community Services program revenue					
Mountain View Cemetery revenue	1,938	1,977	39	2.0%	
Community Kitchen revenue	1,315	1,372	57	4.3%	
Total Community Services program revenue	**3,253**	**3,348**	**95**	**2.9%**	8
Library program revenue					
Fines & penalties	922	899	(24)	(2.6%)	
InfoAction revenue	594	575	(19)	(3.2%)	
Facility rental	500	496	(4)	(0.8%)	
Other library revenue	546	581	35	6.4%	
Total Library program revenue	**2,563**	**2,551**	**(12)**	**(0.5%)**	9
Britannia program revenue	**978**	**998**	20	2.0%	
Total Program revenue	**56,205**	**58,683**	**2,478**	**4.4%**	

Note: Totals may not add due to rounding

City of Vancouver

Operating Budget (continued)

Revenue ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)	Notes
License & Development fees					
Trade permit fees					
Building permit fees	11,340	11,951	611	5.4%	
Plumbing inspection fees	4,309	4,584	276	6.4%	
Electrical inspection fees	3,982	4,037	56	1.4%	
Residential demolition fees	750	765	15	2.0%	
Gas permit fees	622	647	26	4.1%	
Street occupancy fees	655	668	13	2.0%	
Tree removal permit fees	322	575	254	78.9%	
Other trade permit fees	345	352	7	2.0%	
Total Trade permit fees	**22,324**	**23,581**	**1,257**	**5.6%**	10
License fees					
Business license fees	15,806	16,322	516	3.3%	
Dog and other license fees	1,658	1,692	33	2.0%	
Total License fees	**17,464**	**18,014**	**549**	**3.1%**	11
Development permit fees					
Development permit fees	6,253	6,705	452	7.2%	
Rezoning fees	1,179	1,653	474	40.2%	
Subdivision fees	643	825	182	28.3%	
Other development fees	495	534	39	7.9%	
Total Development permit fees	**8,570**	**9,717**	**1,147**	**13.4%**	12
Engineering fees & charges					
Anchor rod fees	2,020	2,060	40	2.0%	
Street furniture fees	1,492	1,522	30	2.0%	
Encroachment fees	816	832	16	2.0%	
Sidewalk café fees	816	832	16	2.0%	
Garbage container fees	382	389	8	2.0%	
Films/festival fees	418	427	8	2.0%	
Other Engineering fees	359	367	7	2.0%	
Newsbox permit fees	235	239	5	2.0%	
Total Engineering fees & charges	**6,538**	**6,668**	**131**	**2.0%**	
Total License & Development fees	**54,895**	**57,979**	**3,084**	**5.6%**	
Parking revenue					
On-street parking revenue	45,000	46,551	1,551	3.4%	
Parking permit fees	952	1,102	150	15.8%	
Parks parking revenue	6,381	6,531	150	2.4%	
Civic Theatres parking revenue	360	478	118	32.8%	
Other parking revenue	485	485	-	-	
Total Parking revenue	**53,178**	**55,147**	**1,969**	**3.7%**	13

Note: Totals may not add due to rounding

City of Vancouver

Operating Budget (continued)

Revenue ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)	Notes
Cost recoveries, grants & donations					
Police Services recoveries, grants & donations	14,285	13,668	(617)	(4.3%)	14
Fire & Rescue Services recoveries	7,065	8,244	1,179	16.7%	15
General Government recoveries	5,647	5,647	-	-	
Parks & Recreation recoveries, grants & donations	4,372	4,284	(89)	(2.0%)	
Community Services recoveries	3,508	3,256	(252)	(7.2%)	16
Library recoveries, grants & donations	1,960	1,899	(61)	(3.1%)	
Sustainability recoveries	1,150	1,050	(100)	(8.7%)	17
Engineering recoveries	1,225	1,223	(2)	(0.2%)	
Other department recoveries	1,590	1,812	222	14.0%	
Total Cost recoveries, grants & donations	**40,801**	**41,082**	**281**	**0.7%**	
Provincial revenue-sharing					
Traffic fine revenue-sharing	14,502	14,502	-	-	
Gaming revenue-sharing	7,150	7,150	-	-	
Total Provincial revenue-sharing	**21,652**	**21,652**	**-**	**-**	
Investment Income	**17,603**	**18,036**	**433**	**2.5%**	18
Other revenue					
Civic property rental revenue	11,675	9,832	(1,843)	(15.8%)	19
Engineering revenue					
Street Maintenance revenue	3,775	3,775	-	-	
Street Use revenue	921	921	-	-	
Parking Operations revenue	961	1,197	236	24.6%	
Other Engineering revenue	247	247	-	-	
Total Engineering revenue	**5,904**	**6,140**	**236**	**4.0%**	
Lease income	3,692	3,692	0	0.0%	
Non-market housing rentals	3,692	3,752	60	1.6%	
Miscellaneous Citywide revenue	3,199	3,224	25	0.8%	
Police Services revenue	1,561	1,561	-	-	
Other department revenue	1,578	1,704	126	8.0%	
Total Other revenue	**31,300**	**29,904**	**(1,396)**	**(4.5%)**	
Bylaw fine revenue					
Parking fine revenue	16,380	16,355	(25)	(0.2%)	
Other Bylaw fine revenue	175	586	411	234.9%	20
Total Bylaw fine revenue	**16,555**	**16,941**	**386**	**2.3%**	
Total Revenues	$ 1,223,395	$ 1,264,476	$ 41,081	3.4%	

Note: Totals may not add due to rounding

City of Vancouver

Operating Budget (continued)

Expenditures & Transfers ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)	Notes
Utilities					
Water					
Water purchases (Metro)	71,484	71,913	429	0.6%	21
Water operations	11,040	11,848	808	7.3%	
Capital program & other transfers					
Debt service charges	17,517	16,203	(1,314)	(7.5%)	
Pay-as-you-go funding	10,000	10,200	200	2.0%	
Rate stabilization & other reserve transfer	(2,695)	(828)	1,867	(69.3%)	
Subtotal Capital program & other transfers	**24,822**	**25,575**	**753**	**3.0%**	
Shared support services	1,972	1,978	6	0.3%	
Total Water	**109,317**	**111,314**	**1,996**	**1.8%**	
Sewer					
GVS&DD levy (Metro)	53,645	57,621	3,976	7.4%	
Sewer operations	8,293	8,488	195	2.3%	
Capital program & other transfers					
Debt service charges	31,348	33,228	1,881	6.0%	
Pay-as-you-go funding	1,200	700	(500)	(41.7%)	
Rate stabilization & other reserve transfer	117	47	(69)	(59.3%)	
Subtotal Capital program & other transfers	**32,664**	**33,976**	**1,312**	**4.0%**	
Shared support services	1,440	1,445	5	0.4%	
Total Sewer	**96,042**	**101,530**	**5,488**	**5.7%**	22
Solid Waste					
Collections	27,733	27,666	(68)	(0.2%)	
Landfill	19,213	19,578	365	1.9%	
Transfer station	7,561	7,938	376	5.0%	
Capital program & other transfers					
Capital Financing Fund loan payments	2,898	2,259	(639)	(22.0%)	
Solid Waste Reserve & other transfer	4,341	7,104	2,764	63.7%	23
Subtotal Capital program & other transfers	**7,239**	**9,364**	**2,125**	**29.4%**	
Shared support services	1,863	1,863	0	0.0%	
Total Solid Waste	**63,610**	**66,409**	**2,798**	**4.4%**	
Neighbourhood Energy					
NEU operations	1,786	1,906	119	6.7%	
Capital program & other transfers					
Debt service charges	2,587	3,406	819	31.7%	
Rate stabilization & other reserve transfer	(690)	(972)	(282)	40.9%	
Subtotal Capital program & other transfers	**1,897**	**2,433**	**537**	**28.3%**	
Total Neighbourhood Energy	**3,683**	**4,339**	**656**	**17.8%**	
Total Utility	**272,653**	**283,591**	**10,939**	**4.0%**	

Note: Totals may not add due to rounding

City of Vancouver

Operating Budget (continued)

Expenditures & Transfers ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)	Notes
Department					
Engineering					
Public Works					
Street Maintenance	23,280	23,120	(160)	(0.7%)	
Parking Operations	15,153	15,296	143	0.9%	
Street Use	10,047	10,148	101	1.0%	
Street-Cleaning	7,319	9,859	2,540	34.7%	24
Street Lighting	5,616	6,492	877	15.6%	
Transportation	3,168	3,248	80	2.5%	
General Public Works	1,780	1,635	(145)	(8.2%)	
Shared support services	5,859	5,886	27	0.5%	
Transfers to / (from) reserves & other funds	1,479	1,474	(5)	(0.3%)	
Subtotal Public Works	**73,700**	**77,159**	**3,459**	**4.7%**	24
Department Services					
Equipment Service Operations	(19,735)	(20,895)	(1,160)	5.9%	
Equipment Management Group	904	883	(21)	(2.4%)	
Construction Supplies & Services	(1,521)	(1,534)	(13)	0.9%	
Operations Safety & Support	1,241	1,456	215	17.3%	
Shared support services	1,978	1,984	6	0.3%	
Transfers to / (from) reserves & other funds	19,312	20,778	1,467	7.6%	
Subtotal Department Services	**2,179**	**2,672**	**493**	**22.6%**	
Total Engineering	**75,879**	**79,831**	**3,952**	**5.2%**	24
Police Services					
Patrol	128,346	128,950	604	0.5%	
Investigations	73,784	73,852	68	0.1%	
Operational Services	36,896	36,827	(69)	(0.2%)	
Administration	12,270	12,437	167	1.4%	
E-Comm allocation	15,395	15,781	386	2.5%	
Shared support services	7,087	7,253	166	2.3%	
Transfers to / (from) reserves & other funds	(187)	(187)	-	-	
Total Police Services	**273,591**	**274,913**	**1,323**	**0.5%**	25
Fire & Rescue Services					
Fire Suppression & Medical	100,397	103,515	3,119	3.1%	
Prevention	2,844	2,924	80	2.8%	
Training & Administration	4,019	4,331	312	7.8%	
E-Comm allocation	4,065	4,173	108	2.7%	
Shared support services	1,664	1,699	35	2.1%	
Transfers to / (from) reserves & other funds	416	679	263	63.2%	
Total Fire & Rescue Services	**113,404**	**117,322**	**3,917**	**3.5%**	26

Note: Totals may not add due to rounding

City of Vancouver

Operating Budget (continued)

Expenditures & Transfers ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)	Notes
Department (continued)					
Parks & Recreation					
Recreation	46,360	46,608	248	0.5%	
Park maintenance & operations	31,085	31,872	787	2.5%	
Facility maintenance & corporate services	7,533	8,299	766	10.2%	
Marinas & Attractions	6,815	7,096	281	4.1%	
Golf	6,222	6,353	131	2.1%	
Leases & concessions	2,000	2,013	13	0.7%	
Shared support services	10,369	9,856	(513)	(4.9%)	
Transfers to / (from) reserves & other funds	2,962	2,921	(41)	(1.4%)	
Total Parks & Recreation	**113,346**	**115,018**	**1,672**	**1.5%**	27
Library					
Public Services	38,889	39,442	553	1.4%	
Administrative Services	5,869	5,788	(82)	(1.4%)	
Shared support services	2,462	2,433	(29)	(1.2%)	
Transfers to / (from) reserves & other funds	76	75	(1)	(1.4%)	
Total Library	**47,296**	**47,738**	**442**	**0.9%**	
Britannia Community Services Centre	**5,028**	**4,724**	**(304)**	**(6.0%)**	28
Civic Theatres					
Civic Theatre operations	4,608	5,543	935	20.3%	
Shared support services	1,957	1,860	(97)	(4.9%)	
Transfers to / (from) reserves & other funds	881	1,216	335	38.0%	
Total Civic Theatres	**7,446**	**8,619**	**1,173**	**15.8%**	
Community Services					
Social Support	9,931	9,969	38	0.4%	
Housing	7,454	7,534	80	1.1%	
General & Projects	1,769	1,707	(61)	(3.5%)	
Social Policy	2,866	3,238	372	13.0%	
Licensing	3,366	3,567	201	6.0%	
Property Use Inspection	2,659	2,568	(91)	(3.4%)	
Culture	2,611	2,761	150	5.7%	
Mountain View Cemetery	1,471	1,473	2	0.1%	
Shared support services	6,248	6,964	716	11.5%	
Transfers to / (from) reserves & other funds	(353)	(416)	(63)	18.0%	
Total Community Services	**38,022**	**39,364**	**1,343**	**3.5%**	29
Grants					
Cultural	11,060	11,282	221	2.0%	
Social Policy	5,875	5,992	117	2.0%	
Childcare	1,424	1,453	28	2.0%	
Other grants	646	959	313	48.4%	
Total Grants	**19,006**	**19,686**	**680**	**3.6%**	30

Note: Totals may not add due to rounding

City of Vancouver

Operating Budget (continued)

Expenditures & Transfers ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)	Notes
Department (continued)					
Planning & Development					
Planning	10,141	10,712	571	5.6%	
Development Services	9,151	9,901	750	8.2%	
Inspections	9,133	10,290	1,157	12.7%	
General	1,115	1,368	253	22.7%	
Shared support services	858	868	10	1.1%	
Transfers to / (from) reserves & other funds	2	2	-	-	
Total Planning & Development	**30,400**	**33,141**	**2,741**	**9.0%**	31
Mayor & Council					
Mayor	1,219	1,244	24	2.0%	
Council	1,303	1,329	26	2.0%	
Total Mayor & Council	**2,522**	**2,573**	**50**	**2.0%**	
Corporate Support Service					
Real Estate & Facilities Management					
Real Estate & Facility planning & development	7,037	7,320	283	4.0%	
Facility operations	36,691	37,620	928	2.5%	
Shared support services	(26,057)	(26,817)	(761)	2.9%	
Transfers to / (from) reserves & other funds	4,107	4,121	14	0.3%	
Subtotal Real Estate & Facilities Management	**21,779**	**22,243**	**464**	**2.1%**	
Finance, Risk & Business Planning					
Finance & Supply Chain Management	22,397	23,191	793	3.5%	32
Shared support services	(8,202)	(8,244)	(42)	0.5%	
Transfers to / (from) reserves & other funds	6	6	(0)	(0.0%)	
Subtotal Finance, Risk & Business Planning	**14,201**	**14,952**	**751**	**5.3%**	
Digital Services & IT					
Information Technology	27,394	28,650	1,256	4.6%	32
Digital Services	1,099	1,100	1	0.1%	
Shared support services	(4,642)	(4,642)	-	-	
Transfers to / (from) reserves & other funds	869	869	-	-	
Subtotal Digital Services & IT	**24,720**	**25,977**	**1,258**	**5.1%**	
Sustainability					
Expenditures	3,830	4,489	659	17.2%	33
Transfers to / (from) reserves & other funds	(431)	(1,153)	(722)	167.5%	
Total Sustainability	**3,399**	**3,336**	**(64)**	**(1.9%)**	

Note: Totals may not add due to rounding

City of Vancouver

Operating Budget (continued)

Expenditures & Transfers ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)	Notes
Department (continued)					
Other support services					
Human Resources	9,691	9,837	146	1.5%	
City Manager's Office	3,506	3,797	292	8.3%	
Legal Services	5,096	5,084	(12)	(0.2%)	
3-1-1 Contact Centre	5,335	5,368	33	0.6%	
City Clerk	3,328	3,329	1	0.0%	
Communications & Engagement	1,613	1,792	179	11.1%	
Emergency Management	1,230	1,459	229	18.7%	
Shared support services	(7,085)	(7,115)	(30)	0.4%	
Transfers to / (from) reserves & other funds	1	1	-	-	
Subtotal Other support services	**22,714**	**23,552**	**838**	**3.7%**	
Total Corporate Support Service	**86,812**	**90,060**	**3,248**	**3.7%**	
General Government					
Business Improvement Association grants	10,175	11,192	1,017	10.0%	
Contingency	4,000	10,000	6,000	150.0%	34
Vancouver Economic Commission	3,000	2,900	(100)	(3.3%)	35
Vancouver Affordable Housing Agency	750	950	200	26.7%	36
Innovation Fund	2,000	2,000	-	-	
General Government expenses	19,768	20,784	1,015	5.1%	37
Shared support services	1,704	1,733	29	1.7%	
Transfer to/ (from) reserves & other fund	2,466	2,165	(301)	(12.2%)	
Total General Government	**43,863**	**51,723**	**7,860**	**17.9%**	
Total Department	**856,616**	**884,712**	**28,096**	**3.3%**	
General debt & Transfers to Capital Fund					
Debt charges (non-utility)	68,064	69,975	1,911	2.8%	
Transfers to Capital Fund	26,063	26,198	135	0.5%	
Total General debt & Transfers to Capital Fund	**94,127**	**96,173**	**2,046**	**2.2%**	
Total Expenditures & Transfers	$ 1,223,395	$ 1,264,476	$ 41,081	3.4%	
Net Operating Budget	-	-	-	-	

Note: Totals may not add due to rounding

NOTES TO OPERATING BUDGET TABLE

The following notes explain select changes to the budget. For further explanations of these changes, see Part II, Department Service Plans.

1. **Property Tax revenue** – Total revenue from the general property tax levy is budgeted to increase $22.2 million (3.4%). This reflects an increase in property tax of $6.0 million from new construction added to the property tax roll, as well as a 2.3% property tax increase.
2. **Water Utility Fee revenue** – The 2016 Budget for water revenues reflects the 4.2% rate increase and adjustments to water consumption, as previously described in the utilities cost increases section above.
3. **Sewer Utility Fee revenue** – The 2016 budget reflects a 9.9% increase in metered and flat fee rates, as well as the change in the volume and type of flat rate customers, as described in the Utilities section.
4. **Solid Waste Disposal revenue** – An increase of $2.7 million, due to an increase in the tonnage of garbage disposed of at Landfill.
5. **Neighbourhood Energy** – A 3.2% increase in customer rates and a 15% increase in volume due to system expansion.
6. **Parks Program fees** – In 2016, fee rates are increasing by an average of 1.4%, reflecting the increasing cost of delivering services and the need to maintain market competitiveness. The remaining increase in revenue will reflect anticipated use of existing facilities and services, including increasing attendance at VanDusen gardens resulting from facility improvements.
7. **Revenue from Civic Theatres** – Revenues will increase in 2016 due to operational improvements – including enhancements to food and beverage services, increased facility rentals and increased volume of ticket surcharge revenue received from external ticketing agencies.
8. **Community Services** – Increased Community Kitchen revenue will be realized in 2016 due to an increase in meals sold at Evelyne Saller Centre, Carnegie Community Centre, and The Gathering Place.
9. **Library Program revenue** – Revenue from fines is decreasing due to the growth in electronic materials, email notifications and online renewals.
10. **Permits** – Inflationary permit fee increases of 2.0%, and increased permit volumes will be supported by adding staff to reduce wait times. Tree removal permit fee increases are the result of a new tree bylaw.
11. **Licence fees** – Business licence fee revenue increases of $0.5 million are budgeted in 2016, attributed to medical marijuana business licence application fees and inflationary rate increases.
12. **Development Permit fees** – In 2016, an average 5.0% fee increase will align permitting fees to the cost of processing based on a fee review conducted in 2015. The increase in fee revenues is being reinvested into the addition of staff resources to reduce permit wait times.
13. **Parking revenue** – In 2016, $2.0 million increase in parking revenue due to increased parking activity and additional meter hours.

14. **Police recoveries —** A decrease of $0.6 million is budgeted due to the reduction in the number of secondments working on specific joint force operations.
15. **Fire recoveries —** A $1.2 million increase in 2016 will be realized in recoveries, primarily from the University Endowment Lands to recover costs associated with the arbitrated wage settlement reached with Vancouver firefighters in 2015 as well as increased HUSAR recoveries.
16. **Community Service recoveries —** A reduction of $0.3 million in recoveries in 2016 due to discontinued provincial funding from BC Housing.
17. **Sustainability recoveries** — A $0.1 million revenue decrease is budgeted for 2016 due to lower federal, provincial and other cost recoveries due to completion of several projects.
18. **Investment income** — An increase of $0.4 million in 2016 as a result of higher cash balances than budgeted in 2015, partially offset by lower interest rates.
19. **Civic Property Rental revenue** — Projected in 2016 is a $1.8 million decrease due to changes in the portfolio of City-owned space leased to external tenants.
20. **Other Bylaw fines** — A $0.4 million increase in 2016 due to increased volume of tickets issued.
21. **Water Purchase costs —** In 2016, a $0.4 million increase due to a 1.9% increase in the rate charged by Metro Vancouver and a 1.5% decrease in consumption volume.
22. **Sewer Levy, Debt service charges and Pay-as-You-Go Sewer Separation** — A $4.0 million increase for the sewer levy charged by Metro Vancouver to fund infrastructure costs — including the Iona Wastewater Treatment Plant. Debt charges are increasing by $1.9 million as a result of the sewer separation program, part of the City's four-year capital plan. Pay-as-you-go funding for sewer is decreasing by $0.5 million due to a re-profiling to balance the costs of site preparation at the Iona Wastewater Treatment Plant.
23. **Solid Waste Reserve transfers** — A $2.8 million increase in transfers to the Solid Waste Reserve (a dedicated reserve to pay for future landfill closure and post-closure costs).
24. **Public Works —** A $4.0 million increase, largely due to a $2.8 million investment in street cleaning to improve public realm cleanliness and opportunities to recycle; street lighting hydro costs, due to growth in infrastructure and utility charges; and an increase in transfers to the Equipment Replacement Reserve, related to the rollout of new fire trucks in 2016.
25. **Police —** A $1.3 million increase in 2016 due to increases in E-Comm costs and fixed cost increases, including contractual wage and benefit increases and increments based on years worked, as well as staffing and training costs from normal fluctuations in attrition levels.
26. **Fire** — A $3.9 million increase in 2015, primarily due to operating costs of new fire boats and fire trucks, and investments in an expanded citywide Driver Services program and temporary resources to support resource planning.
27. **Park Board** — A $1.7 million increase resulting from investments in washroom-cleaning, tree-watering and maintenance of new trees planted as part of the Urban Forest Program, as well as increased labour, costs commissions and bank charges related to increased revenue activity. A decrease of $0.5 million in shared support services is due to reduced

energy costs, attributed to natural gas cost savings and returns from prior investments in energy efficiency.

28. **Britannia Community Services Centre** — A $0.3 million decrease due to transfer of facility maintenance services, previously contracted to Vancouver School Board, to the Real Estate and Facilities Management department.

29. **Community Services** — A $1.3 million increase due to costs to implement medical marijuana business licensing and increased building energy and maintenance cost allocations, and funding to support Healthy City Strategy action items.

30. **Grants** — A $0.7 million increase in 2016, including funding for Downtown Eastside Improvements, as well as inflationary increases.

31. **Planning and Development** — A $2.7 million increase for additional resources to improve wait times driven by high volumes; support for planning of the removal of the Georgia and Dunsmuir Street viaducts.

32. **Corporate Services** — Total Corporate shared support services are increasing by $3.3 million in 2016, primarily due to investments to support implementation of the new online system for permits, the new online Recreation program registration system (ActiveNet), centralized warehousing, emergency management, staffing for Aboriginal and Intergovernmental affairs, and Citywide investments in continuous process improvement to support business transformation in departments.

33. **Sustainability** — A $0.7 million increase in expenditures for the Climate Change Action Plan, funded from reserve.

34. **Contingency** — The contingency budget for 2016 has been increased by $6.0 million, from $4.0 million to $10.0 million, to reflect an increased number of unidentified impacts anticipated for 2016 — including uncertainty regarding the timing of collective agreements and other items compared to prior years.

35. **Vancouver Economic Commission** — A $0.1 million decrease is related to one-time City Studio administrative support, which will continue to be funded out of other City budgets. In addition, $0.3 million in funding previously approved by Council for the Vancouver Entrepreneur Initiative has been allocated in the 2016 Innovation Fund budget.

36. **Vancouver Affordable Housing Agency** — A $0.2 million increase to reflect additional 2016 funding for the Vancouver Affordable Housing Agency, previously approved by Council.

37. **General Government Expenses** — A $1.0 million increase related to estimates of employee benefits.

IMPACT ON PROPERTY TAXES AND UTILITY FEES

The following table summarizes the impact of a 2.3% municipal property tax increase on median residential and business properties. This does not include property taxes levied by other taxing authorities as such information was not available at the time of writing. Council has no control over the amounts collected by these other taxing authorities.

The 2016 Municipal Tax Levy estimates incorporate preliminary 2015 appeal adjustments and new construction estimates available in September, as well as a 2.3% municipal property tax increase. BC Assessment will finalize new construction and other non-market changes in November 2015 and the final 2016 Assessment Roll in March 2016. The impact on individual properties may vary depending on the relative change in value of a property (compared to other properties in the same class) as well as the impact of mitigating measures to be adopted by Council for the 2016 tax year. In 2015, the City transitioned from across-the-board land assessment averaging to targeted land assessment averaging for the residential, light industrial and business property classes as recommended by the Property Tax Policy Review Commission. The objective is to target mitigation to those properties that have experienced significant year-over-year increases in taxable property value.

Indicative City Property Tax Impact

Assessed Value of Property (without Land Assessment Averaging)	Estimated 2016 Tax Bill (CoV Portion)	Change over 2015
Median strata unit assessed at $442,000	**$793**	**$18**
Median residential unit assessed at $783,000	**$1,405**	**$32**
Median single-family unit assessed at $1,121,000	**$2,011**	**$45**
Median commercial property assessed at $589,000	**$4,287**	**$96**

The majority of single-family residential properties are charged a flat fee for utilities, with only newly constructed single-family homes metered. Business properties are metered. Water and sewer charges for commercial properties increase by the same percentages as residential properties. The table that follows assumes no change in water consumption for 2016.

All residential single-family properties receive garbage, yard and food waste collection while only 800 commercial and institutional properties receive garbage collection services from the City; the remainder are served by private collectors. The indicative utility rates below reflect combined City and Metro Vancouver utility charges.

Indicative City Property Tax and Utility Fee Impact

	Median Single-Family $1,121,000		Median Business Property $589,000	
	ESTIMATED 2016 TAX BILL (COV PORTION)	CHANGE OVER 2015	ESTIMATED 2016 TAX BILL (COV PORTION)	CHANGE OVER 2015
Property Taxes (2.3% increase)	**$2,011**	**$45**	**$4,287**	**$96**
Utility Fees				
Solid Waste	$261	—	$209	—
Sewer	$345	$31	$352	$32
Water	$592	$24	$549	$22
Total Utility Fees	**$1,198**	**$55**	**$1,110**	**$54**
Total City Taxes and Fees	$3,209	$100	$5,397	$150

FIVE-YEAR FINANCIAL PLAN

Beginning in 2016, the budget will include a five-year financial plan to align with the practices of other municipalities. The purpose of the five-year financial plan is to provide a longer-term projection on the City's revenue and expense direction, as well as insights on potential pressures and risks. Many decisions have multi-year impacts. Developing an operating plan for the five-year period will enable more informed planning and decision making.

Building a balanced five-year outlook represents a significant challenge for the City, given historical trends of cost increases above inflation as well as feedback from taxpayers to keep growth in taxes and fees affordable. Balancing funding for emerging cost pressures and new investment in priority areas will require ongoing process improvements, leveraging technology and new ways of doing business to achieve value-for-money in service delivery.

The five-year financial plan is based on the City's Long-Term Financial Sustainability Guidelines; it reflects the impacts of the 2015-2018 Capital Plan. Council will continue approving each year's budget on an annual basis.

Revenue

Operating revenue is projected to increase by an average of 2.5% per year from 2016-2020. This increase is primarily driven by the following broad financial assumptions, in line with the Long-Term Financial Sustainability Guidelines:

- Property tax and other user fee increases in line with inflation (forecast inflation based on the Conference Board of Canada is: 2016 – 2.3%; 2017 – 2.1%; 2018 – 2.1%; 2019 – 2.1%);
- Increased property taxes from new construction based on historical trends;
- Program fee increases in line with inflation, with continued volume increases in Parks due to increased activity from population growth and improvement of the Parks visitor experience; and,
- Licence and development fees in line with inflation for 2017-2020 (following an increase of 5.0% in 2016 to more closely align to the cost of reviewing permit applications, with additional revenue being reinvested in additional staff resources to reduce wait times). Licence volume growth in 2017 is anticipated as a result of medical marijuana business licensing.

Other revenue changes forecast for 2016-2020 are:

- Increases to sewer rates, expected to range from 9.3-9.9% per year (2016 – 9.9%; 2017 – 9.5%; 2018 – 9.8%; 2019 – 9.7%; 2020 – 9.3%) driven primarily by Metro Vancouver forecast regional utility charge increases and costs associated with the Iona Treatment plant;
- Increases to water rates are expected to range from 1.5-4.2% per year (2016 – 4.2%; 2017 – 3.0%; 2018 – 1.6%; 2019 – 4.1%; 2020 – 1.5%) driven primarily by Metro

Vancouver forecast regional utility charge increases to fund regional infrastructure improvements, a Greenest City water consumption reduction program and the profile of pay-as-you-go funding;

- Solid Waste rates are expected to increase in line with inflation, at an average of 2.0% per year from 2017-2020. A revenue decrease is expected in 2017 due to the transition of recycling services to Multi-Material BC (MMBC);
- Growth in parking revenues is expected in 2016 due to increased parking activity and additional meter hours. Parking revenues are not expected to increase in 2017-2020;
- Traffic fine revenues are not expected to change from 2015-2020. Revenues are provided to the City through a province-wide, revenue-sharing formula; the City's share is expected to remain flat; and,
- Investment income is expected to be stable in 2016 as higher cash balances are expected to be offset by lower interest rates.

Expenditures

Operating expenditures are projected to increase by an average of 2.0% per year from 2017-2020. This is primarily driven by the following assumptions:

- Increases in department budgets of 2.0% per year which, combined with ongoing improvements in productivity, will fund fixed cost increases and new investments to be determined in future budgets;
- Increases to regional utility charges are assessed by Metro Vancouver to fund regional infrastructure improvements, including costs associated with the Iona Treatment Plant site preparation for secondary treatment. Solid Waste costs are expected to decrease in 2017 as a result of the transition of recycling to Multi-Material BC;
- Expense growth above 2.0% in Vancouver Fire and Rescue Services in 2017, the result of additional operating costs for new fire trucks;
- Library expense growth above 2.0% in 2017 is anticipated for a full year of operating costs for the new nə́c̓aʔmat ct Strathcona Branch Library; and,
- General debt charges are expected to increase by $1.9 million in 2016, $2.1 million in 2017, $1.5 million in 2018, $1.6 million in 2019, and $1.4 million in 2020 based on planned borrowing to support the capital program.

Risks and Opportunities

Collective agreements across all City, Vancouver Police Department and Vancouver Public Library unions, with the exception of the Vancouver Police Officers Association, expire at the end of December 2015. The City and Boards will continue working with the unions toward reaching new agreements, however the timing and financial impact are unknown at this time. As agreements are approved by Council, the budget and planned spending will be adjusted accordingly. Each 1.0% increase in wages Citywide equates to approximately $7.0 million in additional cost, or approximately a 1.0% extra property tax increase.

Five-Year Financial Plan

City of Vancouver ($000)	2016	2017	2018	2019	2020	2016 Change		2017 Change		2018 Change		2019 Change		2020 Change	
	Proposed	Forecast	Forecast	Forecast	Forecast	($)	(%)	($)	(%)	($)	(%)	($)	(%)	($)	(%)
Revenues															
Property tax revenue	716,764	736,245	756,136	776,444	797,178	23,388	3.4%	19,481	2.7%	19,890	2.7%	20,308	2.7%	20,735	2.7%
Utility revenue															
Water revenue	111,314	112,972	113,115	115,876	115,992	1,996	1.8%	1,658	1.5%	144	0.1%	2,761	2.4%	116	0.1%
Sewer revenue	66,226	71,339	77,086	83,225	89,542	5,007	8.2%	5,113	7.7%	5,747	8.1%	6,139	8.0%	6,317	7.6%
Solid Waste revenue	66,409	57,613	58,813	59,842	61,200	2,798	4.4%	(8,795)	(13.2%)	1,200	2.1%	1,029	1.7%	1,358	2.3%
Neighbourhood Energy revenue	4,339	4,940	5,874	6,513	7,024	656	17.8%	601	13.9%	934	18.9%	639	10.9%	511	7.9%
Total Utility revenue	**248,288**	**246,865**	**254,889**	**265,456**	**273,758**	**10,458**	**4.4%**	**(1,423)**	**(0.6%)**	**8,024**	**3.3%**	**10,567**	**4.1%**	**8,303**	**3.1%**
Program revenue	58,687	60,861	63,078	65,340	67,646	2,478	4.4%	2,174	3.7%	2,217	3.6%	2,262	3.6%	2,307	3.5%
Licence & Development fees	57,979	59,839	61,036	62,256	63,501	3,084	5.6%	1,860	3.2%	1,197	2.0%	1,221	2.0%	1,245	2.0%
Parking revenue	55,147	55,147	55,147	55,147	55,147	1,969	3.7%	-	-	-	-	-	-	-	-
Cost recoveries, grants & donations	41,082	40,762	40,762	40,762	40,762	281	0.7%	(320)	(0.8%)	-	-	-	-	-	-
Provincial revenue-sharing	21,652	21,652	21,652	21,652	21,652	-	-	-	-	-	-	-	-	-	-
Investment income	18,036	18,036	18,036	18,036	18,036	433	2.5%	-	-	-	-	-	-	-	-
Other revenue	29,900	29,900	29,900	29,900	29,900	(1,396)	(4.5%)	-	-	-	-	-	-	-	-
Bylaw fine revenue	16,941	16,941	16,941	16,941	16,941	386	2.3%	-	-	-	-	-	-	-	-
Total Revenues	$1,264,476	$1,286,248	$1,317,576	$1,351,934	$1,384,523	$41,081	3.4%	$21,772	1.7%	$31,328	2.4%	$34,357	2.6%	$32,589	2.4%

Note: Totals may not add due to rounding

City of Vancouver ($000)	2016 Proposed	2017 Forecast	2018 Forecast	2019 Forecast	2020 Forecast	2016 Change ($)	2016 Change (%)	2017 Change ($)	2017 Change (%)	2018 Change ($)	2018 Change (%)	2019 Change ($)	2019 Change (%)	2020 Change ($)	2020 Change (%)
Expenditures & Transfers															
Utilities															
Water	111,314	112,972	113,115	115,876	115,992	1,996	1.8%	1,658	1.5%	144	0.1%	2,761	2.4%	116	0.1%
Sewer	101,530	108,923	117,342	126,811	136,756	5,488	5.7%	7,393	7.3%	8,419	7.7%	9,469	8.1%	9,945	7.8%
Solid Waste	66,409	57,613	58,813	59,842	61,200	2,798	4.4%	(8,795)	(13.2%)	1,200	2.1%	1,029	1.7%	1,358	2.3%
Neighbourhood Energy	4,339	4,940	5,874	6,513	7,024	656	17.8%	601	13.9%	934	18.9%	639	10.9%	511	7.9%
Total Utilities	**283,591**	**284,449**	**295,145**	**309,042**	**320,973**	**10,939**	**4.0%**	**857**	**0.3%**	**10,696**	**3.8%**	**13,897**	**4.7%**	**11,931**	**3.9%**
Department															
Engineering	79,831	81,419	83,038	84,690	86,375	3,952	5.2%	1,588	2.0%	1,619	2.0%	1,652	2.0%	1,685	2.0%
Police Services	274,913	280,411	286,019	291,739	297,573	1,322	0.5%	5,498	2.0%	5,608	2.0%	5,720	2.0%	5,834	2.0%
Fire & Rescue Services	117,322	121,379	123,773	126,214	128,704	3,917	3.5%	4,058	3.5%	2,393	2.0%	2,441	2.0%	2,490	2.0%
Parks & Recreation	115,018	117,318	119,664	122,056	124,497	1,672	1.5%	2,300	2.0%	2,346	2.0%	2,393	2.0%	2,441	2.0%
Library	47,738	49,073	50,047	51,040	52,055	442	0.9%	1,336	2.8%	974	2.0%	993	2.0%	1,014	2.0%
Britannia Community Services Centre	4,724	4,818	4,915	5,013	5,113	(304)	(6.0%)	94	2.0%	96	2.0%	98	2.0%	100	2.0%
Civic Theatres	8,619	8,791	8,967	9,146	9,329	1,173	15.8%	172	2.0%	176	2.0%	179	2.0%	183	2.0%
Community Services	39,364	40,151	40,954	41,773	42,608	1,343	3.5%	787	2.0%	803	2.0%	819	2.0%	835	2.0%
Grants	19,686	20,080	20,481	20,891	21,309	680	3.6%	394	2.0%	402	2.0%	410	2.0%	418	2.0%
Planning & Development	33,141	33,803	34,479	35,169	35,872	2,741	9.0%	663	2.0%	676	2.0%	690	2.0%	703	2.0%
Mayor & Council	2,573	2,625	2,678	2,733	2,788	50	2.0%	52	2.0%	53	2.0%	54	2.0%	55	2.0%
Corporate Services	90,060	91,860	93,698	95,560	97,427	3,248	3.7%	1,800	2.0%	1,837	2.0%	1,862	2.0%	1,868	2.0%
General Government	51,723	51,834	53,946	55,483	57,153	7,860	17.9%	110	0.2%	2,113	4.1%	1,536	2.8%	1,671	3.0%
Total Department	**884,712**	**903,564**	**922,659**	**941,506**	**960,804**	**28,096**	**3.3%**	**18,852**	**2.1%**	**19,095**	**2.1%**	**18,847**	**2.0%**	**19,298**	**2.0%**
General debt & Transfers to Capital Fund	**96,173**	**98,236**	**99,772**	**101,386**	**102,746**	**2,046**	**2.2%**	**2,063**	**2.1%**	**1,537**	**1.6%**	**1,614**	**1.6%**	**1,360**	**1.3%**
Total Expenditures & Transfers	$1,264,476	$1,286,248	$1,317,576	$1,351,934	$1,384,523	$41,081	3.4%	$21,772	1.7%	$31,328	2.4%	$34,357	2.6%	$32,589	2.4%
Net Operating Budget	$ -	$ -	$ -	$ -	$ -	-		-		-		-		-	

Note: Totals may not add due to rounding

CAPITAL BUDGET

The annual Capital Budget provides for creating and sustaining City-owned infrastructure. Road repair, bridge upgrades and replacement of water and sewer pipes are all capital expenditures. Renewing and expanding City infrastructure is an investment in Vancouver's future. Extending the operating life of City assets is also a way to achieve better value for money. The City incurs capital expenditures when it expands and creates new infrastructure — required to keep pace with both population and economic growth, and in achieving City priorities. Community centres, market and non-market rental housing, childcare facilities, libraries and more are all included under this umbrella. Other core priorities include capital investments to enable City operations, such as its fleet, information systems and administrative facilities.

The City's capital program consists of a 10-year strategic outlook, four-year plan and 2016 annual budget and five year financial plan, with quarterly status reports at a project level.

10-YEAR CAPITAL STRATEGIC OUTLOOK

The City plans capital investments beginning with a 10-year capital outlook; updated every four years, it was most recently refreshed as an input to the 2015-2018 Capital Plan. Based on this outlook, a four-year Capital Plan is developed. It then forms the basis for the capital budget, which is developed annually.

Having a 10-year strategic framework greatly enhances the City's ability to achieve value for money through partnership opportunities that align with City infrastructure requirements. This can, and does, include working closely with other levels of government and other partners. As an example, the construction of the Killarney Seniors Centre (Southeast Vancouver) is a $7.5 million project; it includes $3.7 million in City funding, with a $2.5 million contribution from the Government of Canada and $1.3 million from the Province of British Columbia.

FOUR-YEAR CAPITAL PLAN

The four-year Capital Plan identifies City Council and Vancouver Board of Parks and Recreation (Park Board) priorities for capital projects and planned funding sources for those investments. Borrowing requirements for non-utility capital are outlined in the Capital Plan and require approval by the public through a plebiscite in the municipal election. Borrowing requirements for utility capital (waterworks, sewerage and drainage, and energy utility systems) are set by Council under authority of the Vancouver Charter.

Capital planning is integral to the City's long-term service and financial planning. Capital planning integrates and aligns various Council policies and regional policies, capital asset management strategies (up to 100 years), public benefit strategies as part of Community Plans (25-30 years), Capital Strategic Outlook (10 years), Capital Plans (four years), and annual budgets and service plans (one year with a four-year outlook).

The key objective of the 2015-2018 Capital Plan is to strike a strategic balance among the following needs:

- Maintaining the City's infrastructure and facilities in an appropriate state of repair; and,
- Optimizing the City's network of public amenities to best serve residents, businesses and those who visit the City, advancing Council and community priorities within the City's long-term financial capacity.

The 2015-2018 Capital Plan was approved on October 1, 2014 and included $1,085 million of capital investments targeting the following Council policy areas:

- Affordable housing and childcare to attract and retain a strong workforce, as part of the Vancouver Economic Action Strategy;
- Infrastructure and facility rehabilitation and renewal;
- Sewer separation and renewal to meet the provincial Liquid Waste Management Plan requirement for the City to eliminate combined sewer outflows (CSOs) by 2050;
- Climate change adaptation and seismic upgrades; and,
- Initiatives and commitments relating to the Greenest City 2020 Action Plan.

The Capital Plan was subsequently adjusted to reflect a change in cost allocation methodology for corporate shared services implemented with the 2015 Operating and Capital Budget to better reflect the cost of the City's Capital Program ($10.8 million), and in Q2 2015 to include user-fee funded utilities connections programs in the Capital Plan ($20.0 million). With these adjustments, the revised 2015-2018 Capital Plan is $1,116 million.

As factors impacting capital priorities change with the approval of the Capital Plan, it is adjusted as needed to align with current capital priorities and budget challenges. Examples include the addition of new funding, changes in funding sources and the addition or removal of projects.

Changes have been made to specific funding sources within the overall Capital Plan with no net change to the overall Plan. The major changes include substituting borrowing with developer contribution funding ($6.0 million) for work on the Burrard Bridge upgrades and pay-as-you-go funding ($3.0 million) for the sewer program; and substituting Capital from Revenue funding ($7.0 million) with Special Purpose Reserves funding for an inflation increase to cover the cost of replacing the City's fire trucks.

Sources of Capital Plan Funding	Original vs. Revised 2015-2018 Capital Plan						Allocated vs. Balance Remaining in the Revised 2015-2018 Plan					
	Original Plan		Revised Plan		Change in Plan		Allocated in 2015		2016 Capital Budget Funding Requests		Remaining in the Capital Plan	
	$M	%	$M	%	$M	%	$M	% of Plan	$M	% of Plan	$M	% of Plan
Borrowing Authority	$ 382.5	35%	$ 372.7	33%	$ (9.8)	-3%	$ 99.2	9%	$ 67.0	6%	$ 206.6	19%
Capital from Revenue	90.0	8%	93.3	8%	3.3	4%	22.6	2%	13.5	1%	57.3	5%
Operating Revenue that funds Capital Projects	59.5	5%	63.4	6%	3.9	7%	17.2	2%	16.3	1%	29.8	3%
Developer Contributions	302.4	28%	308.9	28%	6.5	2%	67.6	6%	51.6	5%	189.6	17%
Special Purpose Reserves	114.5	11%	121.3	11%	6.8	6%	49.2	4%	45.0	4%	27.1	2%
User Fees and Levies	63.3	6%	82.7	7%	19.4	31%	36.0	3%	16.0	1%	30.6	3%
Other / External	73.0	7%	73.7	7%	0.8	1%	4.7	0%	19.4	2%	49.5	4%
Total Capital Plan Funding	**$1,085.0**	**100%**	**$1,115.9**	**100%**	**$ 30.9**	**3%**	**$ 296.6**	**27%**	**$ 228.9**	**21%**	**$ 590.4**	**53%**
Reallocation of Existing Funds			-	0%	-		(1.7)	0%	1.7	0%	-	0%
Total Funding Sources	$1,085.0		$1,115.9	100%	$ 30.9		$ 294.9	26%	$ 230.6	21%	$ 590.4	53%

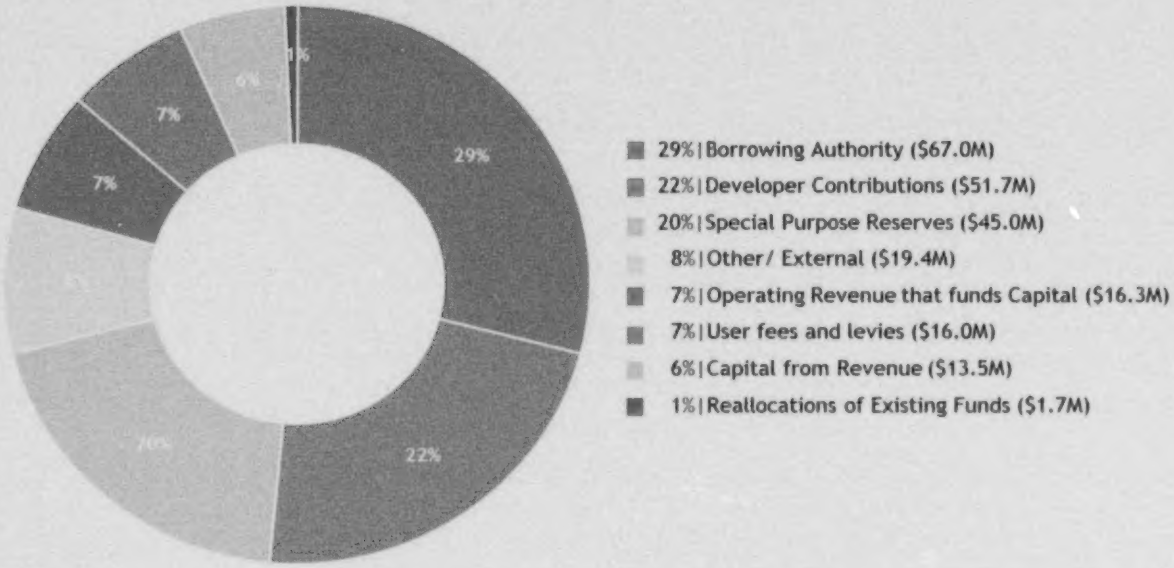
Note: Totals may not add due to rounding

2016 NEW CAPITAL PROJECT BUDGET AND FUNDING/REVENUES

Capital projects are viewed on both an annual budget basis (annual capital expenditure budget) and a total project basis (multi-year project budget). For 2016, the total new multi-year capital project budget funding being requested is $230.6 million. It is anticipated that $128.9 million of this funding will be spent in 2016.

The following chart shows a breakdown by funding source for these new projects.

2016 Funding Sources For Project Budgets
$230.6 million



Please see the Appendixes for a detailed list of new project requests and related funding sources, as well as a detailed list of projects and programs. The list also includes the scope of work for each project and program, total funding, planned expenditures for 2016-2020, and projects or programs classified as "Timing Uncertain."

INFRASTRUCTURE RENEWAL TO SUSTAIN SERVICES

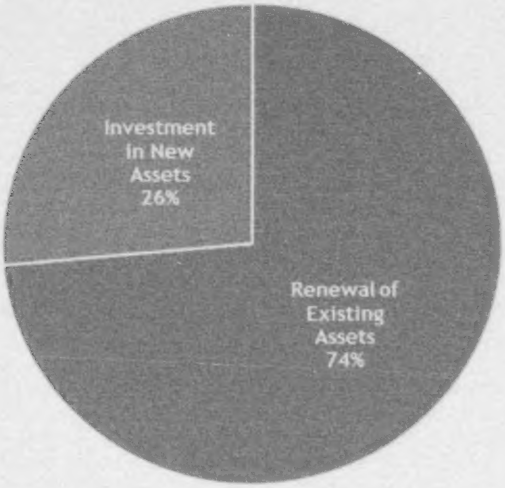
Municipalities own 60% of Canada's infrastructure,[6] and finding ways to leverage funds so City assets and infrastructure can be maintained is essential. City infrastructure includes assets such as water and sewer systems, roads and civic buildings like community centres and libraries.

The City of Vancouver owns more than $20 billion worth of capital assets (replacement value excluding land). This includes:

- Eight million square feet of facilities providing a broad range of recreational, community, social, and cultural programs and services, as well as affordable housing, public safety, and civic administration;
- 1,360 hectares of parks and open spaces;
- 4,260 kilometres of sidewalks, streets and lanes; and,
- 3,600 kilometres of underground water and sewer mains.

Approximately 74% of the 2016 Annual Capital Expenditure Budget is directed toward renewing existing infrastructure.

Capital Investment - New vs. Renewed



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[6] Federation of Canadian Municipalities

2016 CAPITAL EXPENDITURE BUDGET AND FIVE-YEAR FINANCIAL PLAN

The 2016 Capital Expenditure Budget is $325.2 million, which includes expenditure budgets for previously approved projects that are continuing from the past year in the amount of $196.3 million, plus $128.9 million anticipated to be spent in 2016 from the $230.6 million of new funding being requested for multi-year capital project budgets.

The 2016 Capital Expenditure Budget includes ongoing regular programs such as sewer main reconstruction and facility roof replacements, as well as discrete, one-time projects such as the construction of a new library or planning for a new community centre.

Through the capital budget process for 2016, specific projects have been prioritized based on need; the opportunity to leverage funding from other levels of government; internal capacity to deliver projects and programs; and the ability to enable business transformation by improving operations through capital investments. Maintenance and upgrading of utilities remains a critical mandate.

The chart that follows provides a summary of the 2016 Capital Expenditure Budget compared to previous-year expenditures. It includes a forecast for 2017, 2018, 2019, and 2020 expenditures. It also includes expenditures for which spend timing is not yet certain, such as projects that will begin only when third-party funding is confirmed or property acquisitions that are opportunistic and market-dependent. As part of the flexible budget process, these “Timing Uncertain” projects can be added to the annual Capital Expenditure Budget once the expenditure timing becomes known. As in prior years, it is expected that a portion of funding allocated in the 2015-2018 Capital Plan will be spent in 2019 or later as many of the City’s capital projects have multi-year expenditure patterns.

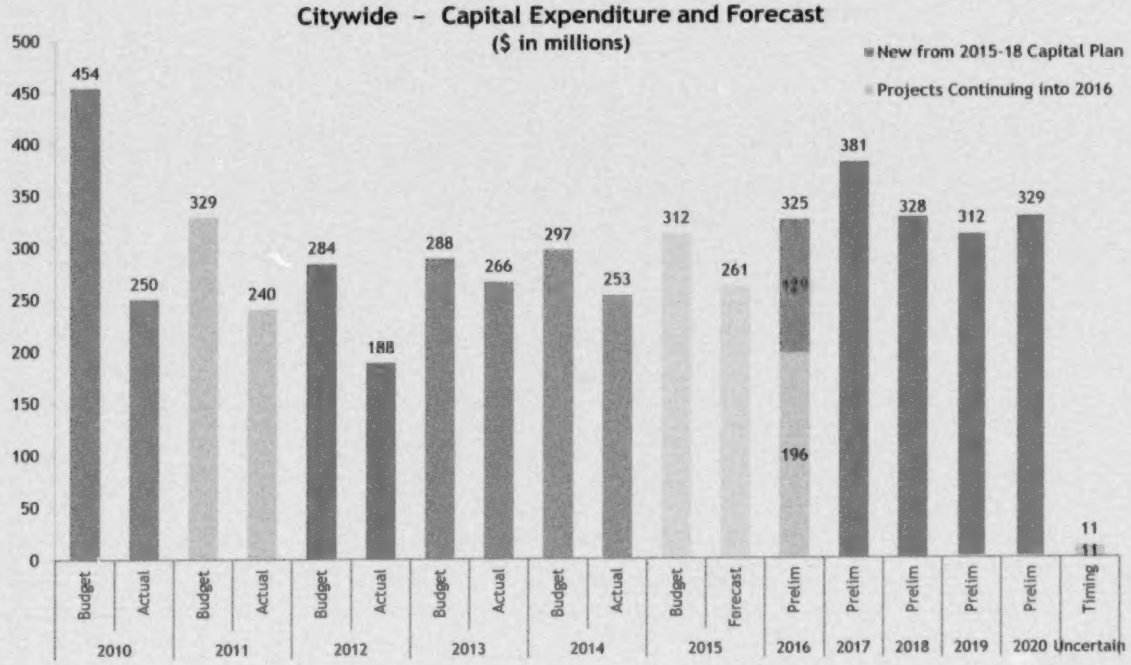
In 2015, spending is estimated to be approximately $261.0 million (84% of current revised 2015 expenditure budget) — an increase over 2014 spending of $253.0 million. This reflects a shift from the design and planning phases to implementation for several larger City capital projects.

Expenditures for 2016 are anticipated to increase to $325.2 million in order to: a) complete many of the projects initiated in the 2012-2014 Capital Plan and now in the final construction phases, and b) make significant investments in Council priority areas, including investments in housing ($29.5 million in 2016), and transportation ($59.1 million in 2016).

Capital expenditures are expected to increase in 2017 but decrease for the 2018-2020 period as many outcomes for significant investments planned for in the 2015-2018 Capital Plan will have been delivered.

It is important to note that the 2017-2020 forecast is preliminary. Forecasts for 2019 and 2020 are early estimates given that the 2019-2022 Capital Plan has not yet been developed and will not be presented to Council for review and approval until 2018. Based on historical trends and due to the multi-year nature of capital projects, it is estimated that approximately

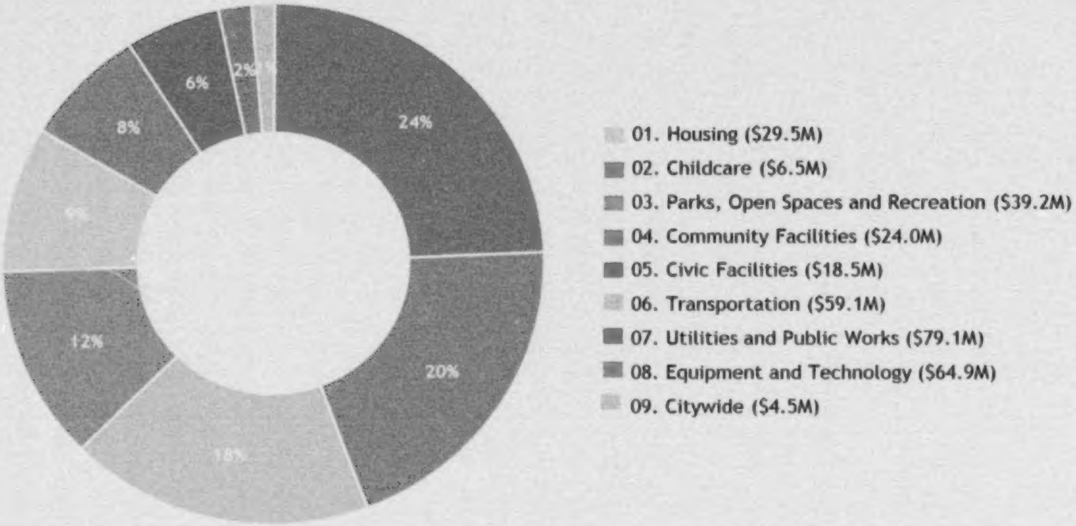
$130-$140 million in expenditures from the 2015-2018 Capital Plan funding will occur in 2019 or 2020.



2016 CAPITAL EXPENDITURE BUDGET AND FIVE-YEAR FINANCIAL PLAN BY SERVICE CATEGORY

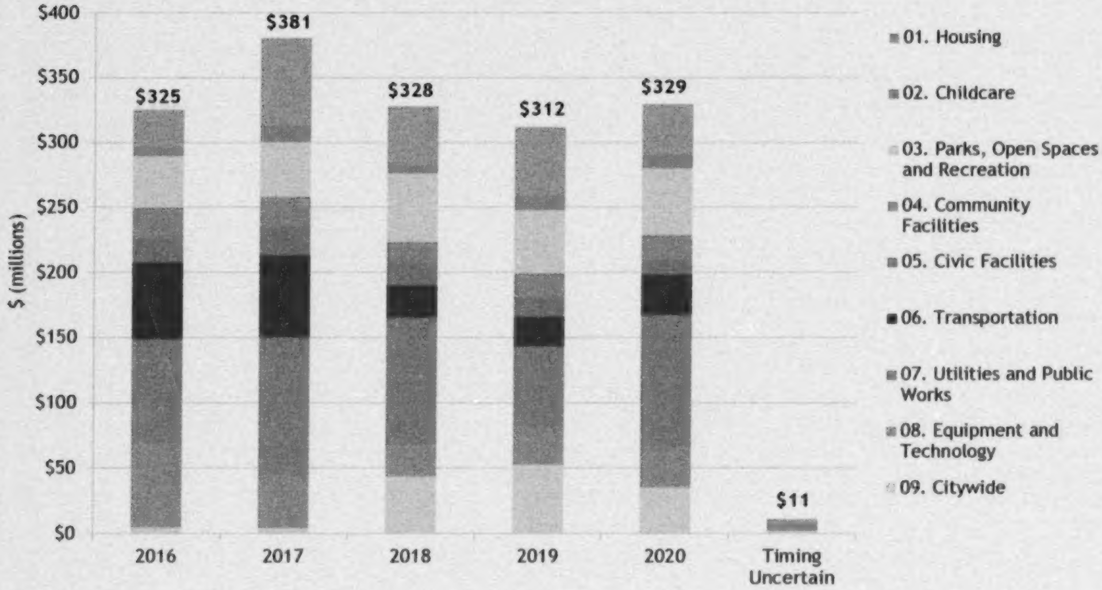
The 2016 Capital Expenditure Budget of $325.2 million consists of activity across nine service categories, as outlined in the following chart.

2016 Capital Budget Expenditures
$325.2 million



The following graph provides a comparison of projected capital expenditures for 2016, 2017, 2018, 2019, and 2020 by service category.

2016 – 2020 Expenditures Forecast by Service Category



Projected forecast expenditures for 2017, 2018, 2019, and 2020 are preliminary and subject to further refinement over the next four years. As the 2019-2022 Capital Plan has not yet been developed and will not be presented to Council for review and approval until 2018, forecasts for 2019 and 2020 are early estimates.

Forecast expenditures for 2017 through 2020 for Housing are projected to significantly increase relative to 2016, reflecting anticipated delivery of several major social and affordable housing projects, including social housing in Southeast False Creek Area 3B (2018 completion) and the redevelopment of Roddan Lodge/Evelyne Saller Centre (2019 completion).

Forecast expenditures for 2016 and 2017 for Transportation include completion of the planning stages for removal of the Georgia Dunsmuir viaducts, a major initiative currently estimated at between $180 and $200 million, subject to further refinement upon completion of the detailed design. Given the magnitude of this project, it is expected to be a major project in both the current 2015-2018 Capital Plan and the upcoming 2019-2022 Capital Plan, however the implementation phase has not been incorporated into the 2017-2020 forecast.

Utilities and Public Works forecast expenditures are anticipated to increase substantially for 2017 and 2018 with the major work phases scheduled for the closure and installation of gas collection infrastructure at the Vancouver Landfill final portions of the Phase 3 and "Western 40 hectares" areas.

Equipment and Technology forecast expenditures for 2018-2020 are expected to decrease to more historic levels following 2016 and 2017 deliveries of a number of fire trucks to replace end-of-service-life units.

Citywide forecasts for 2017-2020 include funding for emerging capital priorities arising during the course of the four-year capital plan. Examples include fulfilling strategic priorities identified by Council and Boards, and advancing projects if funding from partners materializes. A total of $75.0 million was reserved for this purpose in the 2015-2018 Capital Plan and a comparable level is anticipated to be included in the 2019-2022 Capital Plan when it is developed and presented to Council in 2018.

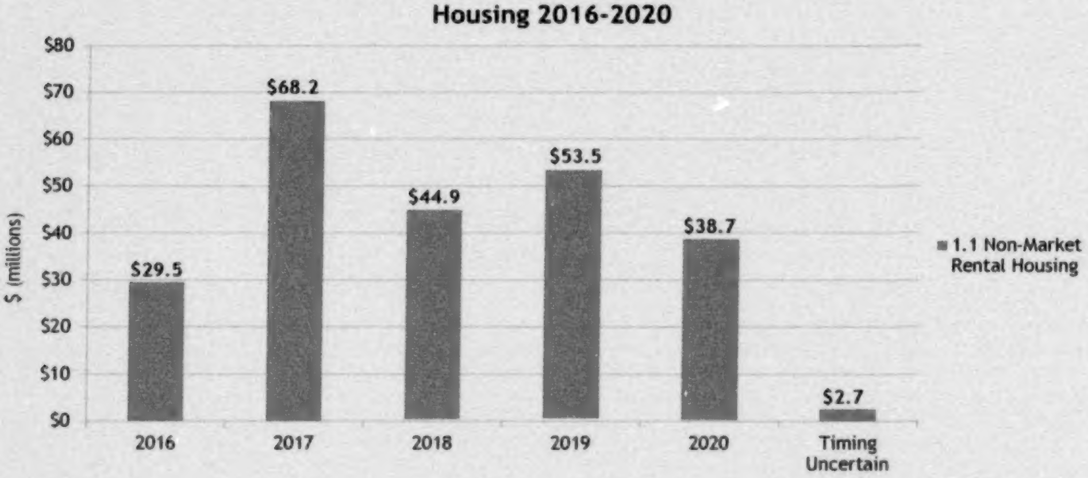
Please see the Appendixes for a detailed list of new project requests and related funding sources, as well as a detailed list of projects and programs. The list also includes the scope of work for each project and program, total funding, planned expenditures for 2016-2020 and projects or programs classified as "Timing Uncertain."

TOP 10 PROJECTS AND PROGRAMS IN 2016

For 2016, the top 10 capital projects or programs representing approximately 47% of all 2016 planned capital expenditures are detailed in the following table.

Project or Program		Anticipated Expenditure in 2016 ($ million)	Anticipated Outcomes in 2016
1	Sewer Main Replacement /Separation (Annual program)	30.0	10 km of combined (stormwater and sanitary) sewer mains separated (1.1%)
2	2014 Fire Truck Replacement (Total project budget $35.2M)	27.8	17 apparatus and 6 life support units replaced
3	Burrard Bridge Upgrades (Total project budget $35.0M)	16.0	• 0.34 km of new AAA bike lane added • 0.75 km of new means prevention fence on the Burrard Bridge added • 0.75 km of electrical, street lighting and sidewalk rehabilitated • 0.34 km of partial road and sidewalk rehabilitated
4	Vehicles and equipment replacement (Annual program)	12.0	120–160 vehicles and equipment replaced
5	Social Housing - SEFC Area 3B (Total project budget $39.0M)	12.0	Working drawings to be completed, excavation of the site, start construction of the building.
6	néc̓a?mat ct Strathcona Branch Library (Total project budget $18.4M)	11.0	Construction 100% complete
7	Water/sewer connections replacement (Annual program)	11.0	1,200 residential water and sewer connections replaced
8	Water pipe replacement (Annual program)	10.0	• 6.0 km of distribution water pipe replaced (water distribution to homes, businesses, and industry) • 0.85 km of transmission water pipe replaced (transmission of bulk quantities of water throughout the City)
9	Rehabilitation of major City roads (Annual program)	8.2	• 5.0 km of arterial MRN pavements rehabilitated • 3.0 km of arterial City pavements rehabilitated
10	Land Acquisition for new non-market housing (Total project budget $8.1M)	8.1	Purchase of land to enable strategic partners (e.g., senior government, non-profit agencies) to deliver 300 units of affordable housing on City-owned land over the next three years.
10	Viaducts Removal Phase 1 (Total Phase I cost estimate $21.0M)	8.1	Year one of a two-year planning and consultation process to complete detailed planning, design, and the necessary agreements to advance removal of the viaducts and development of the remaining NEFC lands including areas 6C, 10C, and the future parks and open spaces.
Total Anticipated Expenditures for 2016		154.2	

1. Housing: $29.5 million



As a growing and diverse city, increasing the availability and range of affordable housing choices for all residents is critical to Vancouver's social, environmental and economic health. Through the 2012-2021 Housing and Homelessness Strategy, the City continues to leverage new affordable housing units geared toward low- and moderate-income households ranging from supportive and social housing, to secured market rental, laneway housing and secondary suites. With the newly elected federal Liberal government, which pledged to increase infrastructure investment considerably — including affordable housing — the City will advance its strategic partnerships with both the federal and provincial governments to create additional affordable housing for Vancouver residents.

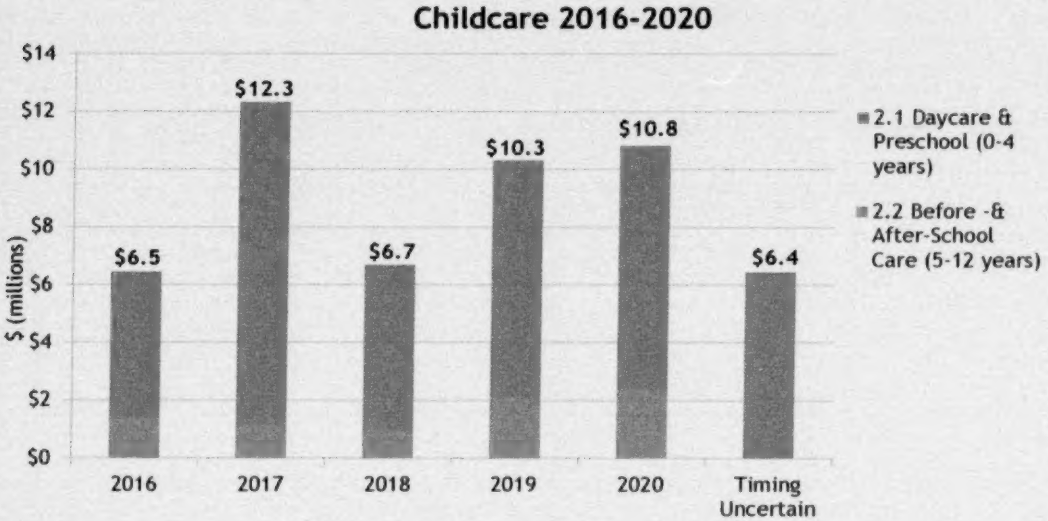
The 2015-2018 Capital Plan earmarked $125.0 million for strategic investments in affordable housing. The City plans to renew three City-owned buildings in the Downtown Eastside (DTES) neighbourhood (251 units), continue with ongoing capital maintenance and renovations of various City-owned social housing projects, and provide capital grants to assist with the upgrading of existing SRO hotels owned and/or operated by non-profit agencies (target 400 rooms). The City also plans to add 2,550 of new social and supportive housing units — to be secured through inclusionary zoning policies, community amenity contributions from rezoning, strategic partnerships with senior governments, non-profit agencies and developers on City land, and capital grants to non-profit partners to enable their projects.

Major projects planned for 2016 include:

- Social housing in Southeast False Creek Area 3B: $12.0 million in 2016 (total project budget $39.0 million);
- Acquiring land in the River District for affordable housing: $8.1 million in 2016;

- Capital grants for non-City owned social housing: $2.5 million in 2016, with a target of 125-250 units depending on the unit mix;
- Acquiring land to deliver new social and supportive housing units through strategic partnerships with non-profit organizations: $0.4 million in 2016;
- Consulting relating to finalizing development plan and rezoning for Roddan Lodge renewal (housing) in conjunction with Evelyne Saller Centre renewal (social facility): $1.8 million in 2016, with total renewal costs to be determined following the planning phase (planned outcome in 2016 to be rezoning and development permit application – total project budget for planning of $5.2 million); and,
- Capital grants to upgrade SRO buildings: $0.5 million in 2016, with a target of 100 units.

2. **Childcare: $6.5 million**



The City, the Vancouver School Board (VSB), non-profit agencies and the private sector are all involved in delivering childcare services. This includes those for children aged 0-4 years (all-day childcare and part-time preschool programs) and children aged 5-12 (before- and after-school programs).

There are currently more than 12,000 licenced childcare spaces available in Vancouver.

Over the four years of the 2015-2018 Capital Plan, the City has allocated $5.0 million to renew 1-2 City-owned childcare facilities for children 0-12 years old, continue with ongoing facility maintenance and renovations, and provide capital grants. In addition, the City has allocated $20.0 million to create 400 new spaces for children 0-4 years (in addition to the 100 spaces to be delivered via in-kind Community Amenity Contributions) and $5.0 million to support the creation of 500 new spaces for children 5-12 years in partnership with the Vancouver School Board and other community partners.

2.1. Daycare and Preschool (0-4 years) $5.1million

Major projects planned for 2016 include:

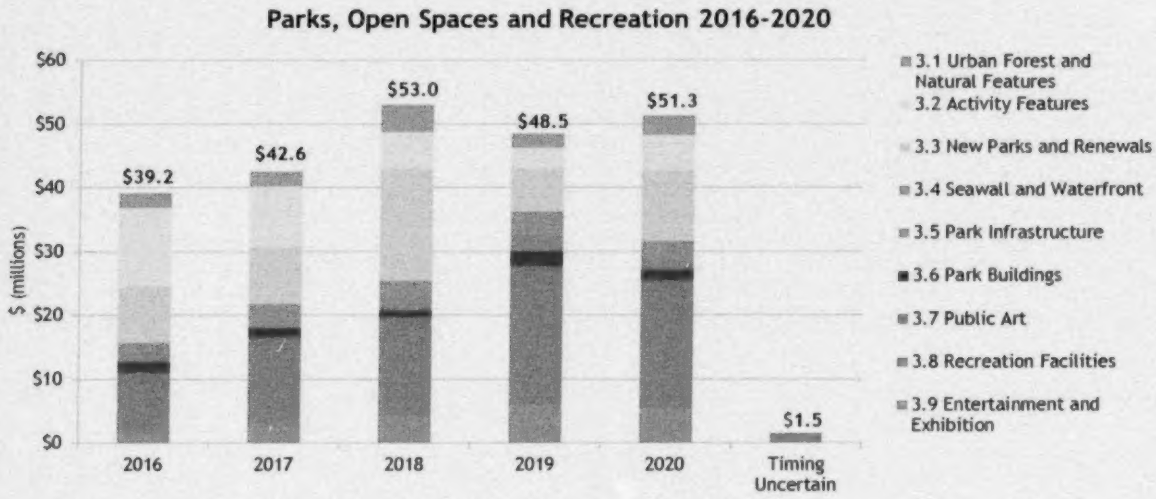
- Completing design and beginning construction on the Lord Nelson Elementary School childcare facility, with a $2.4 million commitment in 2016 through a partnership program with the VSB; the total project cost is $6.5 million, with anticipated completion for early 2018;
- Completing childcare feasibility, planning and schematic design for priority childcare projects, including planning and design for the Sir Sandford Fleming Elementary School childcare facility, with a $1.2 million commitment in 2016 through a partnership with the VSB; the total cost for all projects is $6.8 million, with anticipated 2018 completion; and,
- Capital grant disbursement to Kitsilano Montessori Daycare: $0.3 million to be disbursed in 2016 (disbursed to end of 2015: $0.2 million; total grant commitment: $0.5 million).

2.2. Before- and After-school Care (5-12 years) $1.4 million

Major projects planned for 2016 include:

- Completing a new, additional, multi-purpose room for 30 spaces at the International Village School site, with a $0.4 million commitment in 2016; the total project cost for this facility is $1.0 million, with anticipated completion for year-end 2016; and,
- Community partnerships with the Vancouver School Board, at $0.2 million in 2016, will provide funding for expansion grants to retrofit multi-purpose space in schools so as to increase the number of licensable, school-age childcare spaces on-site.

3. Parks, Open Spaces and Recreation: $39.2 million



Vancouver's network of parks and open spaces includes more than 300 sites located throughout the city, accounting for 1,360 hectares (13.6 square kilometres) or about 10% of all land within municipal boundaries. These open spaces vary in size from small urban plazas and "mini parks" to major parks such as Stanley and Queen Elizabeth parks, offering natural areas, sports and recreation facilities, leisure activities, spaces for public gatherings and more.

Recreation facilities include community centres, swimming pools and ice rinks, while entertainment-exhibition spaces include Nat Bailey Stadium at Hillcrest Park and various facilities at Hastings Park — including those operated by the Pacific National Exhibition (PNE).

Most City parks and recreation facilities are managed by the Park Board; entertainment and exhibition spaces, including Nat Bailey Stadium at Hillcrest Park and many of the facilities at Hastings Park, as well as those operated by the PNE, are included in this category.

Over the four years of the 2015-2018 Capital Plan, the City plans to continue ongoing renewal of its parks and open space features. This includes:

- Phase 1 renewal of the Britannia Community Centre;
- Completing a public consultation and initiating design for renewal of the Marpole-Oakridge Community Centre;
- Advancing the next phase of the Hastings Park/PNE renewal, along with continued facility maintenance and renovations;
- Adding new parks (Smithe and Richards streets, along the Fraser River in Marpole, in Northeast False Creek and in the East Fraser Lands);
- Adding or enhancing natural features in parks and open spaces;
- Introducing new sport facilities, including a track and field and new synthetic turf field;
- Planting 40,000-50,000 new trees; and,
- Installing approximately 15 new pieces of public art (temporary and permanent).

3.1. Urban Forest and Natural Features $2.3 million

Major projects planned for 2016 include:

- Urban forest parks and street trees: $1.2 million in 2016 to realize the planting of approximately 12,000 trees in streets, parks and other locations in keeping with the City's Urban Forest Strategy and Greenest City Action Plan goals; and,
- Continuing work on the New Brighton Park Shoreline Habitat Restoration Project and the Stanley Park Beaver Lake Enhancement Project, with detailed surveys, soil tests, First Nations engagement, design work and a phasing plan for construction.

3.2. Activity Features $12.4 million

Major projects planned for 2016 include:

- Design consulting relating to the redevelopment and refurbishment of the North Plaza of the Vancouver Art Gallery (Phase 2 of improvements to the Art Gallery), with a $4.6 million commitment in 2016; the total project cost is $9.0 million;

- Sports field facility improvements and courts: $2.5 million in 2016 includes replacing synthetic turf field surfaces at Oak Meadows Park/Eric Hamber Secondary School and Kerrisdale Park/West Point Grey Secondary School and tennis courts upgrades at 10 different locations citywide;
- Playgrounds, water parks and skate parks: $1.6 million in 2016 for playgrounds and the design of a new water spray park at Ross Park; focusing on the replacement of citywide playground equipment and surfaces, as recommended in the Park Board 2014 playground assessment; and new playgrounds at Hastings Mill, McBride, Creekside, and Douglas parks; and,
- Dr. Sun Yat-Sen Classical Chinese Garden pond renewal, with $0.7 million in committed funding in 2016 and a total project cost of $0.7 million.

3.3. New Parks and Renewals $8.8 million

Major projects planned for 2016 include:

- Renewal of Hillcrest and Riley parks, including a synthetic turf youth soccer field and Challenger Baseball diamond at Hillcrest Park (delivered in partnership with Variety-The Children's Charity, the Vancouver Canadians and the Jays Care Foundation) and renovations to the north half of Riley Park: $2.9 million in 2016;
- Park land acquisition, with a focus on a new park on the Fraser River: $1.1 million in 2016;
- Continued work on the new downtown park at Smithe and Richards streets, design of a new waterfront park on the Fraser River which includes neighbourhood parks in the East Fraser Lands that will connect thousands of residents to green space where none previously existed (with construction in 2017), and West 5th Avenue and Pine Street Park: $0.7 million in 2016;
- A park opening at 17th and Yukon which is taking steps toward realizing Access to Green Space targets in the Greenest City Action Plan: $0.4 million in 2016; and,
- Upgrades to the Andy Livingstone Park playground and gathering spaces to support the new International Village School (to open in 2017), engagement and design of several neighbourhood park renewals, including Sunset Park and Northeast False Creek (new destination waterfront park): $0.8 million in 2016.

3.4. Seawall and Waterfront $1.4 million

Major projects planned for 2016 include: completing the upgrade of the Vanier Park public boating facility and tendering construction for Stanley Park Seawall upgrades (which includes a $0.5 million Infrastructure Canada grant from the federal government) with anticipated completion in 2017. Planned work under this umbrella also includes an assessment of park marine infrastructure related to sea level rise and climate change (in collaboration with the City's Engineering Services department).

3.5. Park Infrastructure $1.5 million

Major projects planned for 2016 include:

- Stanley Park electrical distribution system upgrades: $1.0 million in 2016 (total project $2.5 million, with anticipated summer 2016 completion); and,

- Upgrades to the Lost Lagoon Fountain in Stanley Park, park pavement and drainage (e.g., Stanley Park), parking lots, retaining walls and minor related structures: $0.4 million in 2016.

3.6. Park Buildings $1.6 million

Major projects planned for 2016 include:

- Capital maintenance at park buildings: $0.7 million in 2016, which will include funding for ongoing maintenance of building components (prioritized based on building condition assessment). Projects in 2016 will include a roof replacement at the English Bay Bathhouse and a pavilion upgrade at the Dr. Sun Yat-Sen Classical Chinese Garden;
- Park building renovations and upgrades: $0.5 million in 2016, which will provide funding for planning/design, procurement and renovation and upgrades of various locations identified as high priority by the Park Board (2-3 projects); and,
- Fieldhouses: $0.3 million in 2016 to allow for renovations at 2-3 locations.

3.7. Public Art $1.6 million

Major projects planned for 2016 include:

- New public art: $1.4 million in 2016, which will include funding for 4-7 local area and temporary artworks (through an artist-initiated program); 3-4 projects celebrating 25 years of the Public Art Program; up to 10 two-dimensional artworks (ongoing program of changing works — Platforms, Banners at Central Library, CBC Wall); planning for a signature project; and annual projects, including Robson Redux and Community Grants.

3.8. Recreation Facilities $8.1 million

Major projects planned for 2016 include:

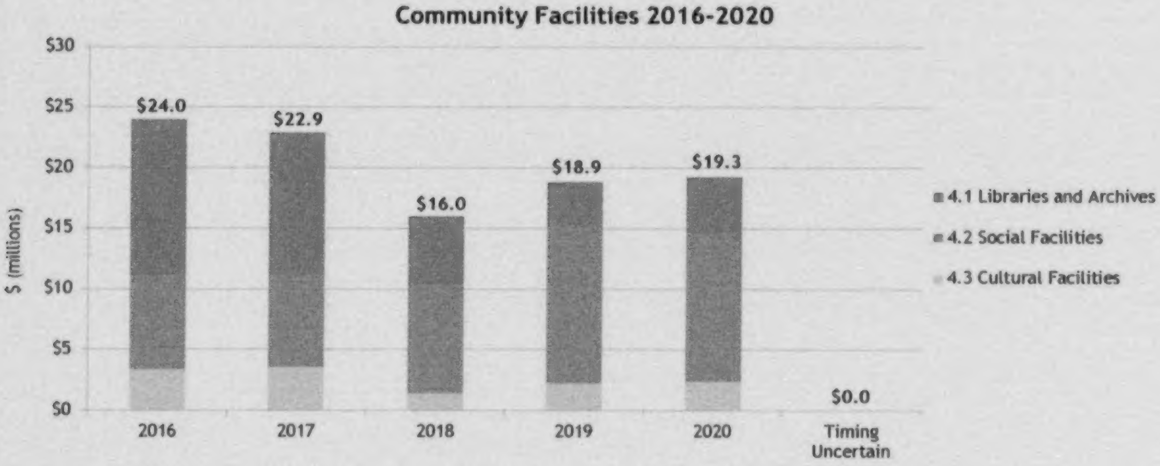
- Killarney Seniors' Centre (Southeast Vancouver):$2.5 million in 2016 (total project $7.5 million, with anticipated early 2018 completion);
- Capital maintenance at recreation facilities: $2.1 million in 2016, which will provide funding for ongoing maintenance of building components (prioritized based on building condition assessment). Projects will include roof replacements for Champlain Heights, Kensington, and Kerrisdale Community centres, and boiler replacement at Douglas Park Community Centre;
- Energy Optimization Program: $0.9 million in 2016, which will provide funding for building energy retrofit projects and building control optimization projects that reduce energy consumption and greenhouse gas emissions;
- Phase 1 Britannia Community Centre redevelopment: $0.5 million in 2016 for completion of stakeholder consultation and preliminary design (total project budget for planning $3.0 million, anticipated 2017 completion); and,
- Preliminary planning and public consultation for the Marpole-Oakridge Community Center renewal: $0.2 million in 2016 for preliminary planning to assess public needs and potential co-location opportunities, which will inform preliminary design and the construction phase.

3.9. Entertainment and Exhibition $1.5 million

Major projects planned for 2016 include:

- Hastings Park projects: $0.4 million in 2016, which will include amounts for infrastructure renewal, identity and signage, "Heart of the Park" renewal, and design of improvements to trails and open spaces; and,
- Playland Amusement Park renewal: $0.1 million in 2016 (total Phase 1 project cost of $1.1 million, with anticipated spring 2017 completion).

4. Community Facilities: Libraries, Social and Cultural: $24.0 million



Vancouver's libraries, social and cultural facilities offer a wide range of community services and programs to the city's diverse and growing population. Their service mandates range from neighbourhood-wide to citywide.

There are about 100 libraries, social and cultural facilities across the city.

Over the four years of the 2015-2018 Capital Plan, the City plans to:

- Continue with ongoing maintenance and renovations of these facilities;
- Begin renewing the Evelyne Saller Centre in the Downtown Eastside;
- Continue with various capital granting programs (e.g., cultural, social);
- Expand the Central Library onto levels 8 and 9, and make a publicly accessible rooftop garden;
- Create a new and expanded Qmunity, a facility for the lesbian, gay, transgendered, bisexual and queer communities in the city's West End; and,

- Deliver various facilities through in-kind CACs, such as the MOSAIC adult learning centre, Positive Living BC and AIDS Vancouver and artists' studios (Marine and Cambie streets).

4.1. Libraries and Archives $12.9 million

Major projects planned for 2016 include:

- nə́c̓aʔmat ct Strathcona Branch Library: $11.0 million in 2016 (total project cost: $18.4 million, with anticipated completion in summer 2016);
- Architectural design and construction documentation relating to the expansion of Central Library to levels 8 and 9, with construction tendering (fall 2016) and construction start (early 2017): $0.4 million in 2016 (total planning and design cost: $3.1 million; total project cost: $15.0 million, anticipated 2018 completion);
- Capital maintenance of libraries/archives, including Library Square: $0.7 million in 2016; and,
- Renovations of libraries/archives: $0.5 million in 2016.

4.2. Social Facilities $7.7 million

Major projects planned for 2016 include:

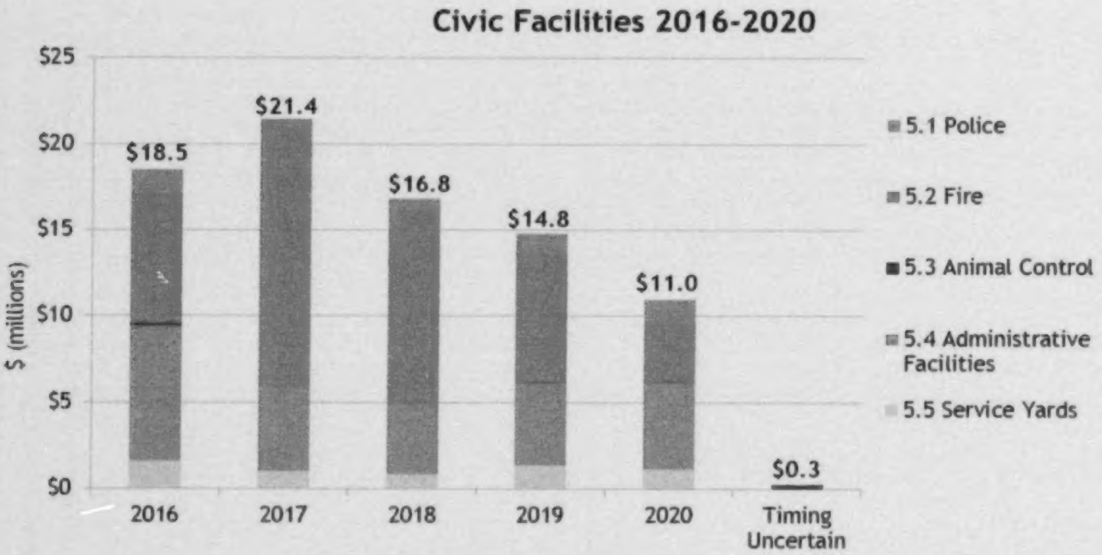
- Consulting relating to finalizing development plan and rezoning for Roddan Lodge renewal (housing) in conjunction with Evelyne Saller Centre renewal (social facility): $1.8 million in 2016, with total renewal costs to be determined following the planning phase (planned outcome in 2016 to be rezoning and development permit application – total project budget for planning $5.2 million included in Housing category);
- Chinese Society Buildings Matching Grants: $1.5 million in 2016 (total project $2.5 million, with disbursement completed in 2016);
- Downtown Eastside (DTES) Community Asset Management grants: $0.6 million in 2016; and,
- Capital maintenance of social facilities: $0.4 million in 2016, to fund ongoing maintenance of building components (prioritized based on building condition assessment).

4.3. Cultural Facilities $3.4 million

Major projects planned for 2016 include:

- Cultural Infrastructure Program grant disbursements: $1.4 million in 2016; and,
- Refurbishment of the historic Green House at 1885 Venables Street: $0.7 million in 2016 (total project $1.0 million, with estimated completion in spring 2017).

5. Civic Facilities: $18.5 million



This section includes renewing and maintaining more than 100 administrative and City-owned facilities and service yards. It also includes renovations for public safety.

Civic facilities include:

- The City's three core public safety functions, including police services, fire and rescue services, and animal control;
- Administration buildings, including City Hall and the Park Board's administration building; and,
- Service yards (industrial-type municipal facilities where trucks and equipment are stored).

Over the four years of the 2015-2018 Capital Plan, the City plans to: invest in renewing Fire Hall No. 17; continue with ongoing facility capital maintenance of its civic facilities, including roofing, windows and flooring; and provide accessibility improvements and office space optimization.

5.1. Police $1.4 million

Major projects planned for 2016 include:

- Vancouver Police Department (VPD) office renovations and moves: $0.9 million in 2016 (total project: $1.4 million, with anticipated 2016 completion); and,
- Capital maintenance of VPD facilities: $0.5 million in 2016, to provide funding for ongoing maintenance of building components (prioritized based on building condition assessment).

5.2. Fire $7.5 million

Major projects planned for 2016 include:

- Replacement of Fire Hall No. 5 to include a social housing component: $5.0 million in 2016 (total project cost: $19.1 million, with anticipated mid-2018 completion); and,
- Planning and design to replace Fire Hall No. 17: $0.8 million in 2016 (total cost for planning phase: $3.2 million, with total project cost to be determined following planning and design phase).

5.3. Animal Control $0.2 million

A small number of projects are planned for 2016, including ongoing capital maintenance and minor renovations and facility upgrades to meet operational needs.

5.4. Administration Facilities $7.8 million

Major projects planned for 2016 include:

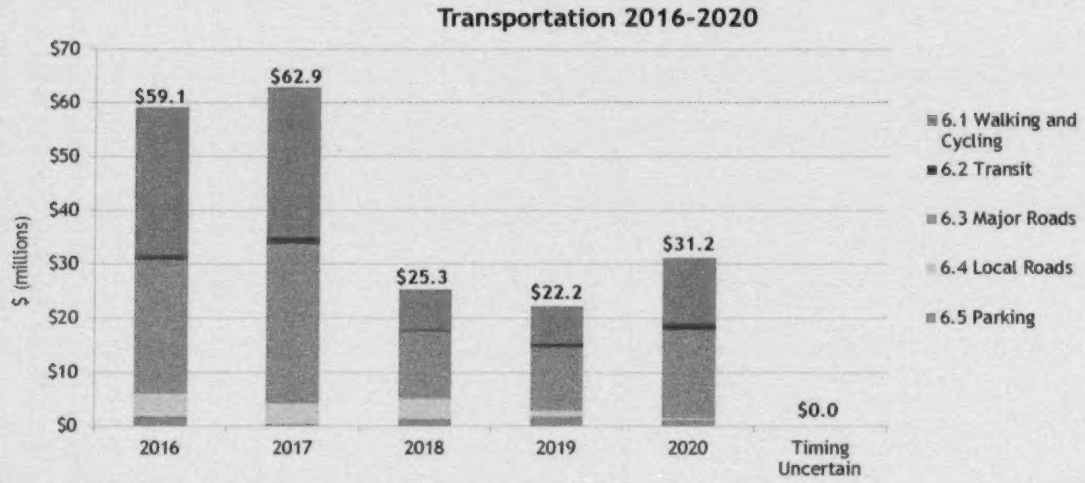
- Seismic upgrades at City Hall West Annex: $3.5 million in 2016 (total project cost: $4.5 million, with anticipated end of 2017 completion);
- City Hall East Annex deconstruction: $1.4 million in 2016 (total project cost: $2.4 million, with anticipated mid-2017 completion); and,
- Facilities planning and research: $0.4 million in 2016, to provide funding for condition assessment of civic facilities as well as civic-related planning and research.

5.5. Service Yards $1.6 million

Major projects planned for 2016 include:

- Capital maintenance and minor upgrades at service yards: $0.8 million in 2016; and,
- Manitoba Yard fuel tank replacement: $0.5 million in 2016, to replace end-of-life fuel tanks.

6. Transportation: $59.1 million



Across Vancouver, the city's transportation network offers a range of travel choices to residents, workers and visitors alike. Much of this network is provided by three governments: the City (walking, cycling, and road networks), the regional government through TransLink (rapid transit and bus networks), and the Province of British Columbia (six kilometres of highways and three major bridges leading into the city).

The City owns and maintains more than 4,000 kilometres of street, lane, and sidewalk assets plus a wide range of transportation structures and features.

Over the four years of the 2015-2018 Capital Plan, the City plans to:

- reconstruct approximately six kilometres of sidewalk;
- repave 33 kilometres of major roads;
- rehabilitate Burrard Bridge (sidewalks, railings, lighting);
- repave 45 kilometres of local roads and lanes;
- replace approximately 3,800 street lighting poles;
- reconstruct 22 traffic signals;
- replace 1,000 parking meters; and,
- maintain and renovate parkades.

In addition, the City plans to add to its transportation asset base, including: two kilometres of new sidewalks; 260 new and upgraded curb ramps; pedestrian safety and public realm improvements (Downtown Eastside, Marpole, Mount Pleasant, and the West End neighbourhoods); completion of the Comox-Helmcken and Seaside Greenways; continuing upgrades of bikeways catering to all ages and abilities; upgrades to Burrard Bridge; and finalizing an improvement strategy for the False Creek bridges.

A funding strategy will be developed for the Broadway Millennium Line SkyTrain extension with the City's partners (regional, provincial and federal governments), in addition to new or upgraded bus stops to address proposed bus route changes in the eastern part of Downtown. Lastly, the City plans to install 12 new pedestrian bike signals and 700 parking meters.

6.1. Walking and Cycling $27.5 million

Major projects planned for 2016 include:

- Burrard Bridge upgrades, including bridge rehabilitation, active transportation and safety improvements: $16.0 million in 2016 (total project cost: $35.0 million, with anticipated year-end 2017 completion);
- Upgrade and expand walking and cycling networks through projects such as repaving SW Marine Drive and the South False Creek Seawall Improvement Plan: $5.0 million in 2016;
- Consultation and design exploration will begin on upgrades to West 10th Avenue, the Seaside Greenway on Point Grey Road, Cambie Bridge, and the Downtown bike lane network: $0.3 million in 2016; and,
- Sidewalk rehabilitation: $1.0 million in 2016, which will provide funding for approximately one kilometre of sidewalks over various locations with priority given to areas with higher levels of pedestrian activity.

6.2. Transit $0.8 million

Major projects planned for 2016 include:

- Transit-related improvements: $0.5 million in 2016 to fund improvements that provide additional operational and passenger user benefits and accessibility upgrades as well as an enhanced public realm

6.3. Major Roads $24.9 million

Major projects planned for 2016 include:

- Georgia Dunsmuir Viaduct Removal Phase 1 which involves a two-year planning and consultation process to complete detailed planning, design, and the necessary agreements to advance removal of the viaducts and development of the remaining Northeast False Creek lands and future parks and open spaces: $8.1 million in 2016 (total amount included for phase 1 $17.2 million, with anticipated completion in 2017);
- Completing paving rehabilitation projects on arterial streets, including SW Marine Drive, Burrard Street and Knight Street: $8.2 million in 2016;
- Rehabilitating street lighting on major roads: $1.8 million in 2016; and,
- Rehabilitating traffic signals: $2.0 million in 2016.

6.4. Local Roads $4.1 million

Major projects planned for 2016 include:

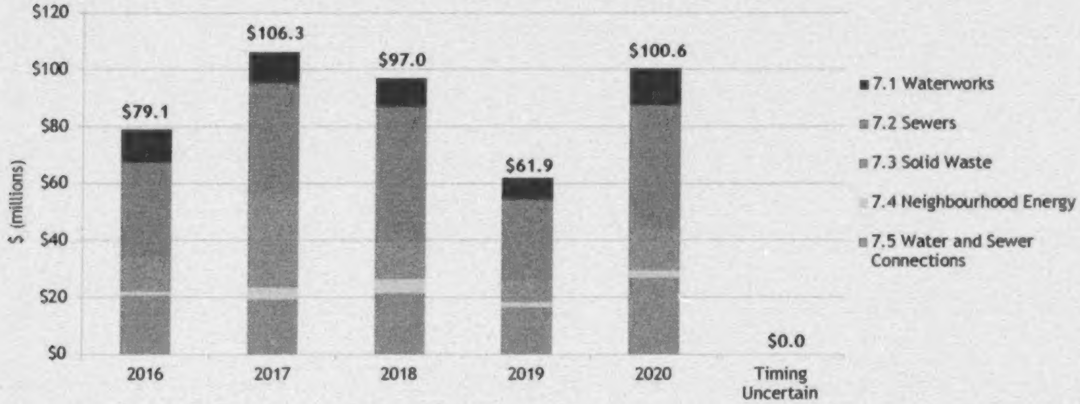
- Rehabilitating local roads: $1.8 million in 2016, which will provide funding for approximately 12 kilometres of local street pavements;
- Rehabilitating street lighting on local roads: $1.2 million in 2016;
- Replacing City infrastructure (such as lighting) due to BC Hydro removal of aging H-Frame power distribution structures: $0.5 million in 2016; and,
- Neighbourhood traffic calming initiatives, including a local speed-hump program as well as school travel planning and spot improvements: $0.5 million in 2016.

6.5. Parking $1.8 million

This funding is designated for new and replacement parking meters.

7. Utilities: $79.1 million

Utilities and Public Works 2016-2020



The City owns and operates four utilities; two provide critical services (water and sewers) used by all Vancouver residents, businesses and visitors. A third utility (solid waste) provides green waste, recycling and garbage pickup and disposal service to all residents living in single-family, duplex and some apartment areas. A fourth utility (neighbourhood energy) provides low-carbon footprint heating and hot water to all buildings in Southeast False Creek and a portion of the False Creek Flats.

To enable the four utilities to function, the City owns and maintains more than 5,500 kilometres of underground pipe as well as a series of specialized facilities and features.

Over the four years of the 2015-2018 Capital Plan, the City plans to: replace 30-35 kilometres of water mains; maintain and replace waterworks components; replace 55-65 kilometres of combined sewer mains with separated sewer mains; replace four pump stations; separate sewers on private property; replace 5,000-6,000 water/sewer connections; and replace 2,500 water meters. The City also plans to: extend its water and sewer mains to serve growth areas;

install 12 new drinking fountains and approximately 5,000 new water meters; close a filled section of the Vancouver Landfill and install gas collection infrastructure at the Landfill; and expand the neighbourhood utility energy centre and new distribution piping system to connect 10-15 new buildings.

7.1. Waterworks $11.8 million

Major projects planned for 2016 include:

- Distribution main replacement (water distribution to homes, businesses and industry): $7.0 million in 2016, to replace aging and deteriorating water mains within the City's distribution water system;
- Transmission main replacement (transmission of bulk quantities of water throughout the city): $3.0 million in 2016, to replace aging and deteriorating water mains within the City's transmission water system;
- An engineering and site investigation program for engineering, geotechnical and environmental work prior to the construction of major assets, as well as innovation research: $0.5 million in 2016; and,
- Aging hydrant replacement: $0.3 million in 2016, to replace approximately 40 fire hydrants.

7.2. Sewers $33.3 million

Major projects planned for 2016 include:

- Sewer main reconstruction (separation): $30.0 million in 2016, to change 1.1% of the sewer infrastructure from a combined system to a separated system.

7.3. Solid Waste $12.1 million

Major projects planned for 2016 include:

- Reconstructing the Vancouver Landfill entrance: $1.6 million in 2016 to reduce traffic congestion, improve safety and provide an improved recycling facility for customers (total project cost: $5.7 million, with anticipated completion early 2017);
- Landfill closure and gas collection Phase 3: $6.0 million in 2016 to complete the closure of 11 hectares of the Landfill's footprint as part of the ongoing progressive closure of completed sections (total project cost: $45.0 million, with completion anticipated in late 2018); and,
- Transfer station improvements: $3.0 million in 2016 to accommodate increased waste diversion (total project cost: $4.9 million, with completion anticipated in late 2016).

7.4. Neighbourhood Energy $1.3 million

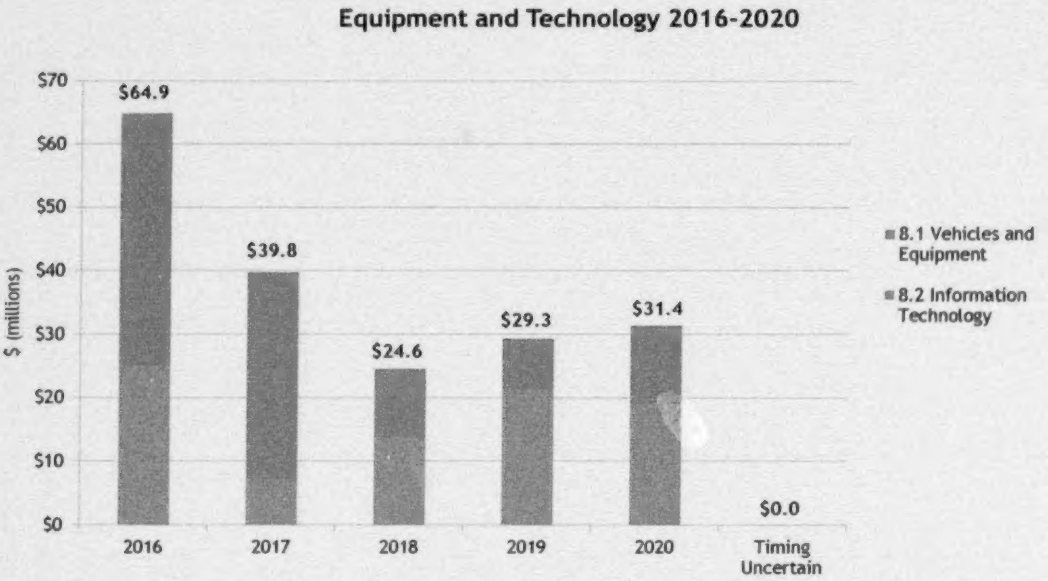
This will fund an extension of the NEU system to service new customers in Southeast False Creek.

7.5. Water and Sewer Connections $20.6 million

Major projects planned for 2016 include:

- Installing connections from residential properties to the City's water, sanitary and stormwater sewer services: $11.0 million in 2016 for 1,200 residential connections based on permits taken and fully paid by the permit applicant;
- Aging service replacements: $1.5 million in 2016, to replace approximately 375 water connections; and,
- Replacing sewer connections and manholes: $1.4 million in 2016, to replace approximately 120 sewer connections.

8. Equipment and Technology: $64.9 million



The Equipment and Technology category includes tools that allow City staff to perform their daily functions to deliver services to the public.

Equipment and technology includes a wide array of City assets. This includes vehicles such as police cars, fire trucks, recycling trucks, lawn mowers, Zambonis, and information technology such as computers, hardware and specialized applications.

Over the four years of the 2015-2018 Capital Plan, the City is investing in: replacing 625-725 vehicles, continuing with ongoing replacement of computers and hardware and — developing and implementing major new applications such as ActiveNet and the fleet management system. The City will also implement its Digital Strategy (Wi-Fi expansion and mobile technology), a geographically remote data centre (for disaster recovery/business continuity) and new business system technologies.

8.1. Vehicles and Equipment $39.9 million

Major projects planned for 2016 include:

- Vehicles and equipment replacement program: $12.0 million in 2016 to replace approximately 120-160 units (vehicles and equipment) with a focus on creating a fleet that keeps emission levels low. Not only does this program support reaching the greenhouse gas emission reduction goals set out in the City's Greenest City 2020 Action Plan, but it contributes to right-sizing the fleet; and,
- Fire truck replacement: $27.8 million in 2016 (total project cost: $35.2 million, with completion anticipated in spring 2017) to replace end-of-life heavy apparatus with trucks that have increased pumping and reach capabilities and anti-idling technology.

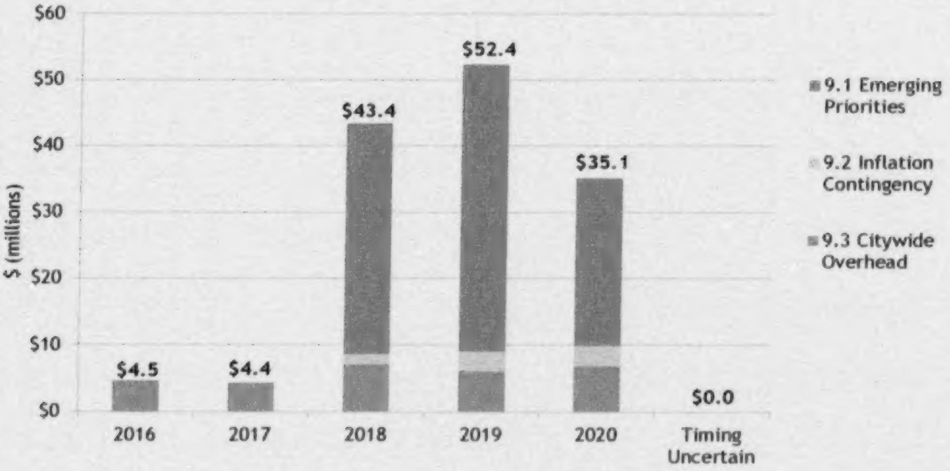
8.2. Information Technology $25.0 million

Major projects planned for 2016 include:

- Completing the final phase of the Permit and Licence Transformation Program (a new technology platform to replace obsolete technology and improve service delivery and the customer experience) and bringing business processes in line with best practices by transforming the permit and licences process Citywide: $3.5 million in 2016 (total project budget: $26.0 million, including a completed phase for online services implementation, with overall project completion anticipated in spring 2016);
- Continuing the ongoing Infrastructure maintenance, upgrade and expansion program, for core information technology (IT) infrastructure: $4.9 million in 2016;
- Completing the Legal Services Transformation project, replacing obsolete technology and standardizing processes to align with best practices for legal information management: $1.0 million in 2016 (total project cost: $2.3 million, with anticipated year-end 2016 completion);
- Implementing a fleet management software solution to improve how the City manages and maintains its vehicles and equipment: $2.4 million in 2016 (total project cost: $4.0 million, anticipated 2017 completion);
- Implementing fleet GPS technology to more effectively manage and track City vehicles by providing data on vehicle movement and the use of associated equipment: $0.5 million in 2016 (total project cost: $1.5 million, anticipated 2017 completion); and,
- Implementing an electronic scheduling solution for Vancouver Fire and Rescue Services, replacing a manual process incorporating multiple systems to schedule 800 firefighters at 20 fire halls: $0.8 million in 2016 (total project cost: $1.2 million, anticipated 2017 completion).

9. Citywide: $4.5 million

Citywide 2016-2020



This category includes emerging priorities, inflation contingency and Citywide overhead. Each item is described below.

- **Emerging Priorities** — As the City transitions from three-year Capital Plans to four-year Capital Plans, there will be greater need for contingency funding to address emerging priorities and opportunistic investments as they arise over the Capital Plan's duration. In addition, as part of the overall funding strategy of leveraging federal and provincial funding (such as the Build Canada and Community Works funds) and other innovative, cross-agency partnership opportunities (e.g., Vancouver School Board, charitable and non-profit organizations), funding has been set aside to address these emerging priorities. Should those opportunities materialize and investment decisions be made, funding will be moved to the appropriate program areas. Funding totalling $75.0 million has been set aside in the 2015-2018 Capital Plan.

  During 2015, Emerging Priorities funding was allocated to the following projects:

  - Burrard Bridge upgrades (for added scope, including safety structural modifications): $4.0 million; and,
  - Updates to system applications and network hardware/software necessary to complete mandatory compliance requirements for the latest version of PCI (Payment Card Industry Data Security Standard) credit card security standards: $1.35 million.

  The 2016 Budget includes an allocation of Emerging Priorities funding of $17.2 million for the planning phase for the removal of the Georgia and Dunsmuir viaducts and $0.1 million for the second phase of a review of the City's Development Cost Levy (DCL) tracking system. With these allocations, the Emerging Priorities funding available for new priority projects which may arise in 2017 or 2018 is $52.0 million.

- **Inflation Contingency** — Program funding allocation identified in the 2015-2018 Capital Plan is based on the value of the Canadian dollar at the time the Plan was developed. Though construction cost inflation has been low in recent years relative to the pre-Olympic construction period, amounts have been set aside to mitigate inflation risk over the four-year period of the Capital Plan. Funding totalling $10.0 million has been set aside in the 2015-2018 Capital Plan.

Funding of $6.8 million was allocated from this Inflation Contingency in 2015 toward an increase in the cost of replacing the City's fire trucks, which was included in the 2014 Capital Budget at costs estimated at that time. The truck chassis and the majority of associated equipment are sourced from a U.S. manufacturer. The final cost for the fire trucks increased in 2015 due to an increase in the final price of the vehicles, the effect of a significant decline over the course of the year in the Canadian dollar relative to the U.S. dollar. With these allocations, the balance remaining in Inflation Contingency funding for 2017 and 2018 is $3.2 million.

- **Capital Overhead** — This program includes financing fees the City incurs as part of the debenture program (not the interest costs associated with debenture borrowing, which is included in the Operating Budget), as well as the City's legal, communications and procurement costs to support the Capital Program. Funding totalling $23.0 million has been set aside in the 2015-2018 Capital Plan.

Citywide capital overhead in the amount of $4.4 million is being budgeted for in 2016.

CONSOLIDATED BUDGET

To provide improved accountability, transparency and overall usefulness of information, the City continues making improvements to how it presents financial information. The consolidated budget includes the Property Endowment Fund (PEF) operating budget and consolidated budget information for all City funds and entities.

In accordance with Canadian public sector accounting standards, the City reports its annual financial statements on a consolidated basis for five funds and eight City entities.

City Funds

- Revenue Fund
- Capital Fund
- Property Endowment Fund
- Capital Financing Fund
- Sinking Fund

Other Entities

- Pacific National Exhibition (PNE)
- City of Vancouver Public Housing Corporation
- Vancouver Affordable Housing Agency Ltd.
- Harbour Park Developments Ltd.
- Hastings Institute Inc.
- Parking Corporation of Vancouver (EasyPark)
- Vancouver Civic Development Corporation
- Vancouver Economic Commission (VEC)

FUND AND ENTITY BACKGROUND

City Funds

Council approves the City's Operating Budget, Capital Budget and Property Endowment Fund Budget.

These approved budgets establish the budget for the City's financial reporting funds. The Revenue Fund reports on the Operating budget, the Capital Fund reports on the Capital Budget, and the Property Endowment Fund reports on the Property Endowment Fund budget.

Separate Council approval is not required for the budgets of the City's two other funds, the Capital Financing Fund and the Sinking Fund, as they are comprised solely of interfund transfers approved by Council in the Operating and Capital budgets and an estimate of interest revenue earned on cash balances.

Revenue Fund
The Revenue Fund accounts for revenues and expenditures for the City's general operations as well as its sewer, solid waste, water, and neighbourhood energy utilities. Council approves the Operating Budget annually. A detailed description of this fund's 2016 budget is found in the Operating Budget section of this document.

Capital Fund
The Capital Fund accounts for capital expenditures supporting civic assets and infrastructure. It also holds all properties required for civic use and related long-term debt. Council approves the Capital Budget annually. The Capital Budget also includes funding for new housing-related capital assets led by the Vancouver Affordable Housing Agency (VAHA) and the Vancouver Public Housing Corporation (VPHC), as well as facilities operated by the Pacific National Exhibition (PNE). A detailed description of this fund's 2016 budget is found in the Capital Budget section of this document.

Property Endowment Fund
The Property Endowment Fund (PEF) accounts for properties leased to third parties and those being developed or held to support the City's public objectives. The PEF also includes parkades managed by EasyPark. By including the PEF operating budget in this 2016 Budget document, it is being approved in conjunction with the City's Operating and Capital budgets. The PEF Capital Budget is approved by Council in camera due to the confidential nature of property transactions. In the annual financial statements, actual PEF results include operating and capital activity. A detailed description of this fund's 2016 operating budget is found in the PEF section of this document.

Capital Financing Fund
Established by Council in 1979, the Capital Financing Fund (CFF) provides funds for the internal financing of capital works — allowing the City to build its infrastructure without incurring external financing costs. So as to ensure the fund is available on an ongoing basis, projects drawing on this fund repay the original amount with interest. Repayments are made possible through increased revenues or operating savings identified in the funded project's business case.

The Solid Waste Capital Reserve was subsequently established within the CFF to accumulate funds for future closure costs of the City's landfill.

The CFF does not account for any operational services. Also, separate Council approval is not required for this fund's budget as it consists solely of interfund transfers approved by Council in the Operating and Capital budgets and an estimate of interest revenue earned on cash balances.

For 2016, estimated revenues are $2.8 million — unchanged from 2015. This revenue is interest on cash balances in the Solid Waste reserve of $70.0 million and interest earned on cash balances of $78.0 million not being used for internal loans which are retained in the Solid Waste Capital Reserve and CFF.

Sinking Fund

The Sinking Fund is required by statute. It accounts for amounts reserved for repayment of the principal portion of the City's sinking fund debt issues at maturity. Depending on the timing of debt issues and maturities, the balance in the fund fluctuates. Funds in the Sinking Fund are invested to earn interest, and the budget reflects interest revenue from investments of the fund balance. No operational services are accounted for in the Sinking Fund, and separate Council approval is not required for its budget as the fund consists solely of interfund transfers approved by Council in the Operating and Capital budgets and an estimate of interest revenue earned on cash balances.

For 2016, the estimated revenue of $6.3 million is investment income on the fund balance, an increase of $0.9 million from 2015 due to higher fund balances.

OTHER ENTITIES

Parking Corporation of Vancouver (EasyPark)

Founded in 1948, the Corporation — which operates as a non-profit public authority — manages and operates parkades and properties owned or leased by the City, or joint ventures between the City and third parties.

The Parking Corporation of Vancouver is now known as EasyPark. The share structure gives the City sole title to Corporation assets and revenues. EasyPark is governed by a 10-member Board of Directors, with one director being a Councillor appointed by City Council. With a proud service history in parking management of more than 60 years, EasyPark manages 41 facilities totalling more than 10,836 parking spaces; facility sizes range from 20 to 1,577 spaces.

EasyPark's operating budget is approved by its Board. EasyPark's net revenues are distributed to the respective owners of the parking facilities (in most cases, the City). In turn, these funds are reinvested in developing public parking facilities. EasyPark's revenues and expenses are included in the City's 2016 PEF budget as detailed in the PEF Budget section of this document. All EasyPark capital investment is approved by Council as part of the PEF Capital Budget.

Pacific National Exhibition

In 2004, the City assumed ownership of Pacific National Exhibition (PNE) assets and operations from the Province of British Columbia. The PNE grounds are located in Hastings Park, which also includes the Pacific Coliseum, the Forum, Rollerland, and the Garden Auditorium.

In 2013, Council approved a renewed governance model for the PNE and Hastings Park with ongoing governance by the PNE Board. The Board of Directors is appointed by Council and currently consists of one Councillor as Chair, the Park Board general manager who serves as Vice-Chair, three other City staff and three outside directors.

The City has continued the longstanding tradition of providing a destination site for festivals, culture, sport, and recreation, including Playland and the annual PNE Fair. In 2010, Council adopted the Hastings Park/PNE Master Plan; it lays out a plan to transform the park and PNE into a greener, year-round destination site.

The PNE's fiscal year is April to March. As such, amounts in the Consolidated Budget reflect the PNE 2015-2016 budget. For 2016, estimated revenues are $49.6 million from all major programs — including the Fair, Playland, Fright Nights and facility rentals and events. Expenses are budgeted at $49.1 million, a $3.6 million (7.3%) increase over 2015. This is comprised of $29.3 million for direct program costs, $4.3 million for facility maintenance, and $15.4 million for administration costs, resulting in a budgeted surplus of $0.5 million. The Budget is approved by the PNE Board. Capital expenditures on facilities and park structures are included in the City's capital budget and approved by City Council.

Vancouver Economic Commission

The Vancouver Economic Commission (VEC), an agency of the City, is responsible for the City's economic development. Developed by the VEC, the Vancouver Economic Action Strategy outlines the key initiatives guiding it and the City's work in showcasing and further enhancing Vancouver's economic potential. The VEC's efforts involve positioning Vancouver as a globally recognized city for innovative, creative and sustainable business. This includes connecting the right people to one another, facilitating conversations that lead to ideas, collaboration and partnerships, as well as taking an active role in initiatives that cultivate business. An additional focus continues to be the Asia-Pacific region, leveraging the City's strategic geographic location and shared cultural ties — with significant potential for companies on both sides of the Pacific.

The VEC's Board of Directors is appointed by Council, with the Mayor serving as Board Chair. VEC leverages contributions from other organizations to fund its major initiatives. The City's contribution is approved through the annual Operating Budget approved by Council. The commission's budget of $3.4 million is set by the Board and includes a $2.9 million contribution from the City. In addition, $0.3 million from the Innovation Fund has been approved by Council for the Vancouver Entrepreneur Initiative.

Vancouver Public Housing Corporation

The City of Vancouver, with oversight by the general manager of Community Services, operates 851 units of social housing across 10 City-owned properties. Of these 851 units, 379 units in five of the properties (Roddan Lodge, Central Residence, Alexander Residence, Barclay Heritage Square, and the New Continental Apartments) are accounted for in the Vancouver Public Housing Corporation (VPHC).

The VPHC was incorporated in 1975 as a wholly owned not-for-profit subsidiary of the City to facilitate the financing structure for the five properties, which included operating funding from other levels of government. The VPHC receives approximately 44% of its operating revenues as contributions from senior governments. Its Board of Directors is appointed by Council and consists of the Mayor, three City Councillors, the City Manager, City Solicitor and

Director of Finance. Council has delegated authority to the City Solicitor for all routine corporate matters.

The VPHC's budget reflects the ongoing operations for the five properties within this structure. City funding is approved through the City's Operating and Capital budgets, along with the budget for all social housing units managed by Community Services. No major changes in operations are anticipated in 2016.

For 2016, approximately $1.7 million in tenant rental income is anticipated to be received through the VPHC; this rental income is from tenants residing in the five properties.

In addition to tenant rents, VPHC receives approximately $1.0 million in funding from the BC Housing Management Commission (BCHMC) on behalf of the provincial government. This is intended to cover operating expenses as defined by BCHMC, plus a budgeted contribution to the Replacement Reserve Fund net of rental and other revenue sources.

In 2016, the City will contribute approximately $0.7 million in funding toward operating expenses. Approved by Council through the City's operating budget, this funding bridges the gap between operating expenses and revenues from tenant rents and BCHMC.

Operating expenses of $3.4 million consist of staffing and administration expenses of $0.8 million, building and operational costs of $1.7 million, and amortization of capital assets of $0.7 million, and $0.2 million in other expenses. Building and operational costs largely relate to janitorial services, utilities costs and building maintenance.

Vancouver Affordable Housing Agency

In July 2014, Council created the Vancouver Affordable Housing Agency Ltd. (VAHA) with the mandate to enable the creation of new affordable housing across the housing continuum through innovative partnerships with developers, charitable and/or non-profit organizations, philanthropists and senior levels of government. Adding VAHA to the City's various tools to create affordable housing will help address affordable housing challenges in Vancouver and advance City Council's Housing and Homelessness Strategy.

VAHA is a City-controlled, separate legal entity governed by a Board of Directors that includes senior City staff and independent directors. Independent directors are appointed by Council. As an agency of the City, VAHA's budget includes operating funding for staffing, while the City retains ownership of all land and building assets. New assets are budgeted and approved through the City's Capital budget.

VAHA's mandate is to enable delivery of 2,500 units of affordable housing by 2021 through a phased approach. The target for Phase I is 500 units, followed by an interim evaluation before proceeding on delivery of Phase II and the remaining 2,000 units.

For 2016, VAHA's operating budget is $1.0 million — funding that covers staffing, consultancy and Board expenses and an increase of $0.2 million over 2015. The required capital funding is included in the 2016 Capital Budget.

Other Entities

Amounts included in the Consolidated Budget for other entities are for Harbour Park Development Ltd., Hastings Institute Inc., and the Vancouver Civic Development Corporation. These entities have no operational activities and are largely inactive, though are available for use if needed.

- **Harbour Park Developments Ltd.** — Purchased by the City in 1974 to acquire interests in land and water lots adjoining Stanley Park, its Board of Directors is appointed by Council and consists of the Mayor, City Solicitor and Director of Finance. Council has delegated authority to the City Solicitor for all routine corporate matters. Currently this entity has no significant ongoing operations, revenues or expenses.
- **The Hastings Institute Inc.** — Incorporated in 1989 by the City as a wholly owned not-for-profit organization, the institute provides employee training and organizational development services toward effective service delivery in a multicultural community. As this expertise has become widely available through other community-based service providers, the institute became an inactive entity effective January 2015, and the City Manager is the sole appointee to the Board of Directors. It will remain available should its services require delivery again at a later date. Council has delegated authority to the City Solicitor for all routine corporate matters. Currently this entity has no significant ongoing operations, revenues or expenses.
- **Vancouver Civic Development Corporation** — Incorporated in 1978 by the City to sell taxi licences, in subsequent years the entity has also been used to facilitate property acquisition. A small amount of revenue is generated from financial investments held in this entity. Its Board of Directors is appointed by Council and consists of the Mayor, two Councillors, City Manager, City Solicitor and Director of Finance. Council has delegated authority to the City Solicitor for all routine corporate matters. In 2016, anticipated revenues are $0.1 million of interest on outstanding cash balances. Currently this entity has no significant ongoing operations

Consolidation Adjustments

To present the City's budget and annual financial statements as a consolidated entity, transactions between funds and entities are removed as shown in the Consolidation Adjustments column.

Basis of Presentation

While many changes to local government financial reporting have taken place to improve its usefulness since Canadian public sector accounting standards were introduced, minor differences remain between the information presented during the budget process and that presented in the annual financial reports. This is because budgets are prepared reflecting capital additions, debt transactions and transfers.

The Consolidated Statement of Operations (included in the Consolidated Financial Statements) excludes transfer and debt transactions and includes depreciation.

A detailed reconciliation of amounts presented in the Consolidated Budget below with the amounts presented in the annual consolidated financial statements will be disclosed in a note in the annual consolidated financial statements.

Consolidated Operating Budget Summary

2016 Consolidated Budget ($000)	Revenue Fund (1)	Capital Fund (2)	Property Endowment Fund (3)	Capital Financing Fund	Sinking Fund	PNE (4)	Vancouver Economic Commission	Vancouver Public Housing Corp	Vancouver Affordable Housing Agency	Other Entities (5)	Consolidation Adjustments (6)	2016 Consolidated Budget	2015 Consolidated Budget	Net Change ($)	Net Change (%)	2016 PSAB Adjustments (7)	2016 Consolidated Budget (Financial Statement basis)
Revenues																	
Property tax	716,764	-	-	-	-	-	-	-	-	-	-	716,764	689,901	26,863	3.9%	-	716,764
Utility	248,288	-	-	-	-	-	-	-	-	-	-	248,288	237,830	10,458	4.4%	-	248,288
Program	58,683	-	1,255	-	-	47,767	-	-	-	-	(1,164)	106,541	101,837	4,704	4.6%	-	106,541
License & Development	57,979	-	-	-	-	-	-	-	-	-	-	57,979	54,895	3,084	5.6%	-	57,979
Parking	55,147	-	23,830	-	-	1,810	-	-	-	-	87	80,874	73,778	7,096	9.6%	-	80,874
Cost recoveries, grants & donations	41,082	27,761	-	-	-	-	3,403	1,797	950	-	(5,054)	69,939	60,367	9,572	15.9%	-	69,939
Provincial revenue sharing	21,652	-	-	-	-	-	-	-	-	-	-	21,652	21,652	-	-	-	21,652
Investment income	18,036	-	600	2,772	6,266	-	-	-	-	74	(303)	27,445	25,303	2,147	8.5%	-	27,445
Other	29,904	-	24,255	-	-	-	-	1,672	-	-	(4,609)	51,222	57,076	(5,854)	(10.3%)	-	51,222
Bylaw fine	16,941	-	-	-	-	-	-	-	-	-	878	17,819	17,555	264	1.5%	-	17,819
Developer Contributions	-	82,275	-	-	-	-	-	-	-	-	-	82,275	85,500	(3,225)	(3.8%)	-	82,275
Total Revenues	**1,264,476**	**110,036**	**49,940**	**2,772**	**6,266**	**49,577**	**3,403**	**3,469**	**950**	**74**	**(10,165)**	**1,480,798**	**1,425,694**	**55,104**	**3.9%**	**-**	**1,480,798**
Expenditures & Transfers																-	-
Utility	283,591	1,750	-	-	-	-	-	-	-	-	(47)	285,294	274,253	11,041	4.0%	(26,448)	258,846
Engineering	79,831	11,029	16,222	-	-	-	-	-	-	-	500	107,582	95,115	12,467	13.1%	(315)	107,267
Police Services	274,913	-	-	-	-	-	-	-	-	-	(211)	274,702	273,591	1,111	0.4%	8,372	283,074
Fire & Rescue Services	117,322	230	-	-	-	-	-	-	-	-	(213)	117,339	113,318	4,021	3.5%	2,788	120,127
Parks & Recreation	115,018	5,506	623	-	-	49,068	-	-	-	-	(1,238)	168,977	166,583	2,394	1.4%	75,888	244,865
Library	47,738	-	-	-	-	-	-	-	-	-	-	47,738	47,296	442	0.9%	(75)	47,663
Community and Cultural Services (8)	72,393	14,847	-	-	-	-	-	2,483	950	-	(278)	90,395	109,885	(19,490)	(17.7%)	21,112	111,507
Planning & Development	33,141	3,760	-	-	-	-	-	-	-	-	-	36,901	34,100	2,801	8.2%	6,154	43,055
General Government & Transfers (9)	240,529	(98,581)	33,095	2,772	6,266	-	3,403	492	-	74	(8,678)	179,372	166,468	12,904	7.8%	3,837	183,209
Capital Additions	-	274,230	-	-	-	1,093	-	-	-	-	-	275,323	246,000	29,323	11.9%	(275,323)	-
Debt Payment/(Issue)	-	(102,735)	-	-	-	(1,093)	-	494	-	-	-	(103,334)	(101,200)	(2,134)	2.1%	103,334	-
Total Expenditures & Transfers	**1,264,476**	**110,036**	**49,940**	**2,772**	**6,266**	**49,068**	**3,403**	**3,469**	**950**	**74**	**(10,165)**	**1,480,289**	**1,425,409**	**54,880**	**3.9%**	**(80,676)**	**1,399,613**
Net Budget	-	-	-	-	-	$ 509	-	-	-	-	-	$ 509	$ 285	$ 224	-	$80,676	$ 81,185

Note: Totals may not add due to rounding

Notes:

(1) Revenue Fund includes the Operating budget and the Utility budget.

(2) Capital Fund includes the Capital Budget.

(3) Amounts shown are for the Property Endowment operating budget only. This schedule categorizes PEF operating expenses as follows: parking operation (EasyPark) expenses are included in Engineering Services; marina operation expenses are included in the Park Board; and property operation expenses are included in General Government. General Government also includes reserve and interfund transfers. The PEF Capital Budget for major capital maintenance and property acquisitions or disposals are approved by Council in camera.

(4) PNE fiscal year ends March 31. The PNE budget shown above is the PNE 2015-2016 budget.

(5) Other entities include: Harbour Park Developments Ltd., The Hastings Institute Inc., the Vancouver Civic Development Corporation, and the Vancouver Economic Commission.

(6) To present financial information on a consolidated basis, financial transactions between funds or entities are removed.

(7) Public Sector Accounting Board adjustments include amortization of tangible capital assets, net of debt payments/issues and reserve transfers, as reported in the Annual Financial Statements.

(8) Community and Cultural Services includes: Britannia, civic theatres, Community Services and Grants.

(9) General Government includes: Mayor and Council, Corporate Support Services, General Government and General debt and capital from revenue

Changes in 2016

The Revenue Fund budget revenues and expenses are increasing by $41.1 million to $1.264 billion in 2016 as described in the operating budget section of this document. The increase includes $18.6 million in cost increases for existing services excluding utilities (partially offset by savings from ongoing business transformation and other cost adjustments), a $10.9 million increase in utilities expenses, plus $11.6 million in investments aligned to key priorities.

Capital fund expenditures are based on the capital plan and described in the Capital Budget section of the document, which includes a breakdown of spending by area and the budget report appendixes include a description of projects. Departmental expenses shown in the consolidated operating budget include spending on operating activities that support the capital plan, including funding for planning, major maintenance and grants to external organizations, and will change from year to year based on project timing in the capital plan. Spending on new or replacement City facilities and infrastructure is shown as capital additions, for which additional detail on the breakdown of spending by department is shown in the Capital Budget section. This presentation of the consolidated budget is in alignment with the City's year-end financial statement presentation for comparability.

The PEF revenue budget will increase by $3.6 million from parking revenues, of which $1.8 million funds increased operating costs and $1.9 million supports PEF capital projects.

The PNE revenue budget will increase by $3.8 million from increased sales and parking revenues, with a $3.5 million increase in project and administration costs.

The VEC budget is $3.4 million; this is based on core funding from the City, remaining unchanged at $2.9 million, with additional funding of $0.3 million for the Vancouver Entrepreneur Initiative, approved by Council, to be allocated from the Innovation Fund. Revenues from external sources are also reflected in the VEC operating budget.

The Vancouver Affordable Housing Agency budget is increasing by $0.2 million to reflect additional operating costs approved by Council in 2014.

The Sinking Fund budget is increasing by $0.9 million, due to interest earnings on fund balances which change due to timing of debt issuance and repayment, based on the capital plan.

PROPERTY ENDOWMENT FUND BUDGET

The Property Endowment Fund (PEF) operating budget is included in this budget document and approved in conjunction with the City's Operating and Capital budgets. Due to the confidential nature of PEF property transactions, the PEF Capital Budget is approved by Council in camera. Actual results for the PEF included in the annual financial statements include operating and capital activity.

The PEF accounts for properties leased to third parties and those being developed or held to support the City's public objectives. The PEF also includes parkades managed by EasyPark.

The PEF was created by Council as a separate City fund in 1975 to hold strategic land purchases separate from the ongoing City operations. At the time, "It was agreed by Council that the Property Endowment Fund should be regarded as a legacy or an endowment which belongs to all the taxpayers and should be managed for the benefit of future generations."

In 1980, Council provided further guidance on the PEF's purpose, goals and objectives, priorities and strategic sites:

- Purpose –
  - To preserve and increase the real value of the PEF assets and to increase the Fund's ownership of strategic sites.
- Goal –
  - To manage the PEF assets in such a way as to preserve their real value and generate a reasonable economic return.
  - In addition, where it is possible without jeopardizing either the real value of the fund or the reasonable return on its assets, to support the City's public objectives.
- Objectives –
  - The operations of the PEF shall generally be:
    - To manage and develop the Fund's holdings in order to generate a reasonable economic return;
    - to buy and sell lands: assemble a land inventory that offers the best opportunity to preserve where possible increase the real value of the PEF's assets;
    - to support the City's public objectives; and,
    - to develop a program to accomplish the conversion of non-strategic holdings to strategic holdings.
- Priorities –
  - In making operating decisions, the financial criteria must first be met; however, where possible, preference will be given to development, acquisition or disposal opportunities that also meet public criteria.

- Strategic sites –
    - In the context of the PEF, strategic sites shall be defined as sites which possess the best opportunity to achieve either the Fund's financial objectives or both its financial and public objectives.

Since then, the PEF has remained a separate City fund. Key transactions have been brought forward to Council for approval. Financial operations have been reported publicly as a supplementary schedule to the Annual Financial Statements, but until 2013 no annual budget had been reported.

In February 2013, the first annual PEF operating and capital budgets were approved by Council; establishment of a third-party Expert Advisory Panel to advise staff and Council on all aspects of the PEF's management was also approved. The first panel convened in 2014, signalling an important milestone toward optimizing the PEF's management and oversight.

PEF Budget Summary

The 2016 PEF Operating Budget includes balanced operating revenues and expenditures of $49.9 million, an increase of $3.6 million (or 7.9%) as compared with the 2015 PEF Operating Budget.

The table and narrative that follows present a breakdown of the 2016 PEF Operating Budget and outline each major revenue and expense change. The detailed budget schedule shows the year-over-year impact of changes by revenue and expenditure type.

City of Vancouver Property Endowment Fund

Operating Budget ($ millions)

	2015 Approved Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)
Revenue from Operations	46.3	49.9	3.6	7.9%
Expenses from Operations	25.3	27.1	1.8	7.0%
Net Revenue before Transfers	**21.0**	**22.8**	**1.9**	**8.9%**
Transfers	(21.0)	(22.8)	(1.9)	9.0%
Net Position	$ 0.0	$ 0.0	$ 0.0	-

Note: Totals may not add due to rounding

PEF Revenues

The proposed 2016 revenue budget is changing from the approved 2015 budget by $3.6 million, in the following areas:

Parking (EasyPark) – $3.2 million

The budget for parking revenues has been increased by $3.2 million, mainly due to EasyPark operations anticipating increased revenue from various lots due to equipment changes, improvements to parkades, and, with Nordstrom's opening in September 2015, a full year of budgeted parking revenues for the Pacific Centre.

Property Rentals — $0.4 million
Rental revenue is budgeted to increase by $0.4 million in due to the renewal of leases at various locations, as well as new property leases — including retail sites at the new social housing facility at 677 East Broadway.

Other Variances — $0.0 million
Revenues related to Leases, Other Income and Water Moorage (Heather Marina) remain stable from the 2015 budgeted amount. Water Moorage revenues are expected to increase slightly, with a 2.46% proposed moorage rate increase for 2016. Moorage fees at Heather Marina are reviewed annually and adjusted when necessary to reflect anticipated cost increases and market conditions.

PEF EXPENDITURES

The proposed 2016 expense budget is changing from the approved 2015 budget by $1.8 million, in the following areas:

Parking (EasyPark) — $1.2 million
The budget for parking expenses has increased by $1.2 million to reflect higher EasyPark operating costs, including induced salary and fringe benefit costs relating to staff agreements, and increased costs for property taxes, utilities, security, marketing, and credit card processing.

Other Expenses — $0.5 million
The budgeted increase in operating expenses is due mainly to salary and employee benefit costs, including the allocation of staff costs for work performed on the PEF portfolio, and increased building occupancy costs, such as electricity and gas costs.

Water Moorage — $0.1 million
Expenses related to Leases and Water Moorage (Heather Marina) are slightly higher than 2015 due to inflationary increases of fixed costs.

Other Variances — $0.0 million
Expenses related to Leases and Property Rentals are unchanged from the 2015 budgeted amount.

Transfers — $1.9 million
The PEF budgets for a limited number of recurring annual transfers. These normally include the net surplus from parking operation to the Parking Site reserve, and a $7.0 million annual transfer to the Revenue Fund (City Operating Budget) to support City operations.

For 2016, the PEF operating budget transfers includes a transfer of $9.3 million to the PEF Capital Budget, as one of the funding sources for the 2016 Capital Projects and Programs.

With the budgeted net increase in parking revenue, the transfer to the Parking Site reserve will also increase accordingly.

City of Vancouver Property Endowment Fund

Operating Budget ($ millions)

	2015 Approved Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)
REVENUES				
Leases	5.9	6.0	0.0	0.8%
Rentals	17.9	18.3	0.4	2.1%
Parking	20.6	23.8	3.2	15.7%
Water Moorage	1.3	1.3	(0.0)	(0.4%)
Other Income	0.6	0.6	0.0	0.0%
Revenues	**46.3**	**49.9**	**3.6**	**7.9%**
EXPENDITURES				
Leases	0.0	0.0	0.0	0.0%
Rentals	5.0	5.0	0.0	0.4%
Parking	15.1	16.2	1.2	7.8%
Water Moorage	0.6	0.7	0.1	9.6%
Other Expenses	4.6	5.1	0.5	11.4%
Expenditures	**25.3**	**27.1**	**1.8**	**7.0%**
Net Revenue before Transfers	21.0	22.8	1.9	8.9%
Transfer to Revenue Fund	(7.0)	(7.0)	0.0	0.0%
Transfer to PEF Capital Budget	(8.8)	(9.3)	(0.5)	5.8%
Transfers (to)/from Other Funds	(0.9)	(0.7)	0.2	(22.8%)
Transfers (to)/from Reserves	(4.3)	(5.9)	(1.6)	37.0%
Net Position	$ 0.0	$ 0.0	$ 0.0	-

Note: Totals may not add due to rounding

PART II: DEPARTMENT SERVICE PLANS

The 2016 Budget and Five-Year Financial Plan continue the strategic shift of aligning financial resources with performance on key service metrics.

Service Plans are reported for key public-facing services and Corporate Support services. These service plans identify major accomplishments in 2015, plans for 2016 as well as 2017-2020 (new for this year). They also include an overview of budget information by department, outlining notable capital projects where applicable. Service plans are used to inform budget allocation decisions and are a key input to the development of the five-year financial plan.

Service Plans, in addition to being a significant part of budget transparency, also represent the City's commitments to itself and the community to measure and be accountable for its decisions and actions over the year. Annual internal reviews of these commitments continue to be conducted to track whether the services are performing as promised and whether changes in course are required.

VANCOUVER POLICE DEPARTMENT

As a separate legal entity under the *Police Act*, the Vancouver Police Board is the employer and governing body for the Vancouver Police Department (VPD), providing civilian governance and oversight over policing in the city of Vancouver. The Police Board is made up of the Mayor and other representative citizens of the city and is responsible for ensuring the police provide effective and efficient services.

The Police Board-approved 2012-2016 Strategic Plan remains an important element of the VPD's support of the City's mission to create "a great city of communities that cares about its people, its environment, and the opportunities to live, work, and prosper." VPD's Strategic Plan consists of 14 strategic goals aimed at reducing crime, strengthening partnerships with the community and organizational development. The Strategic Plan recognizes the following community safety issues are important to Vancouver's residents and visitors:

- Reducing property crime;
- Disrupting organized crime;
- Reducing violent crime;
- Improving road safety;
- Partnering on mental health initiatives; and,
- Providing programs that benefit youth.

MAJOR ACCOMPLISHMENTS IN 2015, PLANS FOR 2016

The VPD continually seeks ways to become more efficient and effective in its efforts to improve the safety and quality of life for Vancouver residents, businesses and visitors. This is achieved through law enforcement, education and crime prevention.

In overall support of the Strategic Plan, the VPD works on a large number of projects and initiatives; many are multi-year endeavours. By area, some key initiatives the VPD pursued in 2015, which will continue in 2016, are:

- **Violent crime** — The VPD continues to reduce violent crime through assertive and proactive policing efforts. Since 2012, incidents of violent crime have dropped by approximately 21%. Similarly, the violent crime rate has fallen by 24%. These measures exceed the Strategic Plan's overall five-year target of a 12.5% reduction.

  Patrol-based projects targeting violent offenders have been highly effective in reducing incidents of violent crime — particularly in the Downtown Eastside and the Granville and Gastown entertainment districts. From January 1 through August 31, 2015, the VPD conducted more than 150 patrol-based projects of all types — from localized district issues to larger citywide investigational projects. The VPD continues targeting chronic and high-risk, violent offenders; it monitors approximately 150 offenders and has conducted more than 700 offender interviews, locating and arresting 44 high-risk offenders. Through 2016, the VPD will maintain similar strategies and activities to aggressively and proactively reduce violent crime.

- **Property crime** — Over the past three years, the total number of property crimes has been rising; from 2011-2014, there was an 11% increase in the property crime rate. In 2015, the VPD leveraged new anti-fencing technologies to trace stolen property and identify offenders committing commercial or residential break-and-enters. Another example of an innovative measure is the Target Hardening Kit Program; it assists victims and residents by showing them how to make their homes and businesses less vulnerable to property crime. With support from the Vancouver Police Foundation, the program provided kit bags that included samples of security items.
- **Community Safety Program** — The Community Safety (CS) Program completed its second full year in 2015. CS personnel are unarmed peace officers who support frontline operations and enhance the level of customer service provided to Vancouver's residents, businesses and visitors. The work of CS personnel frees up the department's highly trained and skilled police officers, allowing them to address more complex police tasks and conduct proactive policing, such as enhanced neighbourhood patrols. A final evaluation report of the pilot is currently underway. Beyond the pilot, a determination about the program's future will be made based on the final evaluation as well as additional funding availability.
- **Street disorder** — Across Vancouver, the VPD works to enhance neighbourhood safety. For example, in the Granville and Gastown entertainment districts the VPD maintains a strong partnership with BarWatch and Restaurant Watch to assist with crime prevention media strategies that highlight the level of theft of cellphones, wallets and purses in liquor-primary establishments — particularly nightclubs. Also, both the VPD and BC Liquor Control and Licensing Branch inspectors regularly address issues related to overall management of patrons and staff, as well as crowd control on sidewalks and overcapacity breaches.

  Throughout 2015, the VPD continued employing various tactics to combat crimes such as thefts from parking meters, thefts from vehicles, drug activity, public liquor consumption and street vending of stolen goods. The VPD's combined efforts are decreasing low-level crimes and have resulted in numerous arrests.
- **Gangs** — Organized crime groups are an ongoing concern for residents of Vancouver and the surrounding region. The VPD has been highly successful in taking proactive enforcement actions leading to arrests and prosecutions targeting the members of criminal organizations most likely to engage in violent behaviour. This has contributed to realizing a decrease in the number of violent crimes — with resulting decreases in the number of violent incidents such as 'shots fired' calls, which declined by 81% from 2005-2014.

  To disrupt organized crime groups, the VPD developed specific initiatives that have successfully increased the level of information received by VPD members about restricted weapons possession. These initiatives have resulted in the seizure of firearms, weapons and drugs from known gang members. The use of civil forfeiture legislation to seize assets from organized crime groups has also been an effective tool in disrupting criminal operations.

  The VPD will continue collaborating with outside agency joint-task forces, using civil forfeiture legislation and delivering education campaigns to divert youth from the gang lifestyle.

- **Traffic** — In partnership with the City of Vancouver's Engineering Services department, the VPD continually works to reduce the number of collisions occurring in Vancouver through increased enforcement and education efforts targeting drivers, cyclists and pedestrians. In ongoing efforts to reduce motor vehicle collisions causing injury or death, the VPD uses Insurance Corporation of British Columbia (ICBC) collision data and VPD traffic statistics to direct its traffic enforcement efforts toward high-crash locations; this includes high-visibility enforcement during peak hours and location-based project work. The VPD has also focused on improving road safety for elderly pedestrians.

  Because of these efforts, over the long term there has been a downward trend in traffic-related fatalities (a 61% reduction from 2005-2014). The VPD's efforts in this area will remain a priority focus for 2016.

  In 2015, the VPD received new funding to implement a Bike and Pedestrian Safety Targeted Enforcement Team. To be operational in 2016, this new initiative will complement existing educational and enforcement strategies to achieve several goals — including working towards the vision of zero pedestrian fatalities.

- **Mental health advocacy** — As part of the VPD's strategic efforts to develop and maintain positive working relationships with other agencies, the VPD continues working with Vancouver Coastal Health (VCH), Providence Health Care (PHC) and other stakeholders to address service gaps in the continuum of care for people living with mental illness and/or addiction. These include the VPD's partnership in: a) the Assertive Community Treatment (ACT) teams, which seek support for the most seriously mentally ill; and b) the Assertive Outreach Team (AOT), a short-term bridging service for clients transitioning from hospital, corrections or forensics to the community. The VPD has also developed an early warning system to identify clients for referral to AOT and other services before crisis.

  In 2015, the VPD was also actively involved in steering committees for the access and assessment centre at Vancouver General Hospital (VGH) and the integrated service delivery centre at St. Paul's Hospital. The purpose of the Access and Assessment Centre (AAC) at VGH and the HUB at St. Paul's is to create single points of access for adults with mental health and addiction challenges in the Vancouver area. The goals are to: redirect mental health and addiction clients from emergency; streamline equitable access to treatment; improve collaboration with primary care; reduce wait time for police apprehensions; and improve support to existing mental health and addiction services in both acute and community care.

  ACT focuses on reducing overall mental health apprehensions, violent offences, negative police contacts, criminal justice involvement and community disorder offences for ACT participants. These combined efforts correlate to overall citywide decreases in violent offences with a mental health component (a 27% decrease in year-to-date comparisons between 2014 and 2015). In 2015, as part of its employee wellness initiatives, the VPD introduced the Canadian Armed Forces' Road to Mental Readiness (R2MR) program; it delivers information and awareness about mental health issues to all VPD employees to promote mental health wellness and resilience. R2MR is now part of pre- and post-deployment training that is further assisting members in overcoming critical incidents and operational stress.

Through 2016 and beyond, the VPD will continue advocating at the provincial and national level for more mental health resources. The VPD will also continue promoting mental health and resilience for all its employees.

- **Youth** — The VPD prides itself on contributing to the community, both at the organizational and individual employee levels. Examples include the School Liaison Program at Vancouver schools; Car 86, for child welfare matters; the Police Athletic League (PAL); the Student Challenge; the VPD Cadet Program; and the High Risk Youth/Street Youth Intervention Team. These programs assist youth by providing the skills necessary to allow them to make better life choices, with the goal of preventing them from becoming entrenched in criminal lifestyles.

  Through 2015, the VPD advanced its efforts to provide positive role models for young people and support services and programs to assist them. In 2015, the VPD had the largest number of female participants in the annual Student Challenge program, with 23 females and 25 males participating.

  In 2015, the Student Challenge incorporated a new component, adding four Junior Team Leaders (two male and two female); demonstrating keen interest in the program, they assisted as mentors to provide a better overall experience for participants. This mentorship opportunity provides new leaders with valuable volunteer experience as they work toward the goal of becoming VPD officers.

  In 2015, the VPD's Cadet Program celebrated the end of its first year, exceeding all expectations and benefitting participants in many ways. The program received more than 300 applications (of the 500 forms handed out at Vancouver schools during the initial recruiting process); 61 youth from various socioeconomic and ethnic backgrounds were selected, reflecting Vancouver's diversity. An additional 60 cadets have been recruited for the program's second year, with another 60 anticipated in the program's third year. Through the Cadet Program, youth learn about teamwork, leadership, discipline and basic law enforcement skills they will apply to their everyday lives, with the overall aim of reducing negative youth behaviours, crime and victimization.

  The Cadet Program, which receives funding from the City, the Province of British Columbia, and the Vancouver Police Foundation, has generated significant interest and has hosted the Lieutenant Governor of British Columbia as well as the provincial Attorney General. Across Vancouver, numerous cadets have had the opportunity to speak at various events.

  In 2016, the VPD will continue focusing on delivering socially responsible programs and initiatives that benefit youth. This includes continuing to develop effective strategies and tactics to deal with emerging youth-related trends regarding mental health, bullying and sexting.

Looking Ahead, 2017-2020

Cognizant of the emerging challenges and increasing complexity in the community and policing, the VPD is currently updating its Strategic Plan for 2016-2020. In refreshing the VPD's strategic goals and targets for future years, this plan will also address pressures and challenges.The VPD will continue to face escalating pressures. Examples include:

- **Mental illness** — Mental illness will continue to be a significant driver of police workload, as police are expected to play a pivotal role in dealing with disturbed persons and persons with mental disorders. The VPD will continue seeking partnerships with community agencies to address gaps in service delivery. It will also continue expanding members' training to cope with evolving needs in Vancouver;
- **Emerging global trends** — Global extremism places a further strain on VPD resources, necessitating vigilance and proactive policing measures to avoid serious events and threats;
- **Responding to evolving standards** — Investigative standards will continue evolving, placing significant demand on policing resources. Furthermore, with increasing disclosure requirements closing files requires additional time; this includes preparing documents required by Crown Counsel;
- **Responding to changing technologies** — Technological advances present increasing demand for advanced equipment and policing resources due to the proliferation of smartphones, video surveillance and social media. Additionally, there is also increasing pressure on police agencies to adopt body-worn cameras. At this point, British Columbia's law enforcement agencies are awaiting a provincial government decision before proceeding with any initiatives;
- **Other agencies** — Decisions by other levels of government, courts, coroner's inquests and commissions of inquiry can all have significant downstream impacts on VPD resourcing. As an example, the federal government has transferred costs for DNA analysis to the provinces. The BC provincial government has proposed downloading a portion of these costs to municipal police agencies, a risk to the City's budget if implemented; and,
- **E-Comm 9-1-1**: In 2017, the provider of emergency dispatch services in B.C. is transitioning to the Next Generation 911 (NG911) public emergency communications service.

To consider these challenges and give the VPD suitable flexibility to adapt to emerging issues, the VPD is engaging a broad cross-section of external and internal stakeholders to inform the updated 2016-2020 Strategic Plan.

The scope and complexity of policing continues to expand, presenting significant demand on policing resources and training to ensure public safety is maintained. To meet these demands, the VPD's outlook is to reduce the number of held vacancies and to return to full authorized strength. The updated Strategic Plan will guide resource requirements to achieve plan outcomes.

The VPD will continue assessing policing priorities to deploy resources as needed throughout the city to ensure public safety and maintain order. This will also include continuing to collaborate with outside partners and parties and leveraging use of new technologies.

DEPARTMENT SERVICE METRICS

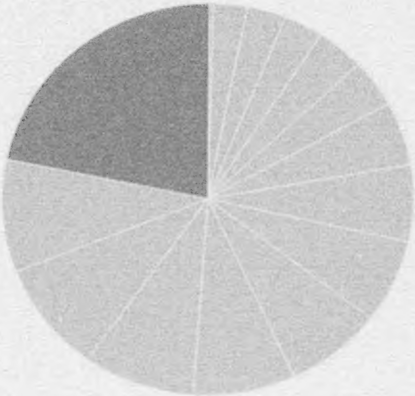
Violent crime is decreasing, and forecast to decline further in 2015 and beyond. The VPD consistently works with vulnerable and at-risk communities which are frequently the victims of violent crime.

In 2014, Vancouver experienced an increase in property crime. As a result, the VPD has been working diligently to identify property crime trends and series, develop new strategies and tactics and focus on chronic property offenders to reverse this trend.

Every year since 2011, average response time for Priority-1 calls has increased. This is mainly due to congestion, increased development in the city and patrol-related workload pressures. The VPD has been working steadily with different patrol districts in identifying strategies to reduce response time.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Police Services	Quantity	Total Criminal Code Offences	46,203	45,670	46,558	45,923	45,556
		Total Number of Property Crime Incidents	30,843	31,472	31,998	35,404	35,935
		Total Number of Violent Crime Incidents	6,360	5,924	5,709	5,105	4,651
		Traffic incidents with fatalities and injuries (ICBC reported collisions)	8,775	8,802	8,861	8,205	NDA
		Property crime rate (crimes/1,000)	49.78	50.02	50.34	55.28	56.11
		Violent crime rate (crimes/1,000)	10.27	9.42	8.98	7.97	7.26
		Total crime rate (crimes/1,000)	74.60	72.59	73.24	71.70	71.13
	Quality	Average response time of VPD to emergency (priority 1) calls (min:sec) *	8:17	8:38	8:59	9:10	9:15
		Businesses are satisfied with VPD services	90%	78%	87%	90%	89%
		Businesses feel safe (measured through annual business survey)	61%	64%	60%	63%	62%
		Residents are satisfied with VPD services	87%	85%	85%	83%	87%
		Residents feel safe (measured through annual residential survey)	74%	74%	74%	79%	76%
	Result	Percentage Change from previous year of the property crime rate	-4.2%	0.5%	0.6%	9.8%	1.5%
		Percentage Change from previous year of the violent crime rate	1.4%	-8.3%	-4.6%	-11.3%	-8.9%
		Percentage Change from previous year of the total crime rate	-2.1%	-2.7%	0.9%	-2.1%	-0.8%
		Percentage change from previous year of total number of traffic incidents with fatalities and injuries	-1.0%	0.3%	0.7%	-7.4%	NDA

2016 BUDGET



VPD makes up 22%
of the 2016 Operating Budget

Year-over-Year Budget Changes

Major Category ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)
Revenues				
Parking revenue				
Other parking revenue	155	155	-	-
Total Parking revenue	**155**	**155**	**-**	**-**
Cost recoveries, grants & donations				
Police Services recoveries, grants & donations	14,285	13,668	(617)	(4.3%)
Total Cost recoveries, grants & donations	**14,285**	**13,668**	**(617)**	**(4.3%)**
Other revenue				
Police Services revenue	1,561	1,561	-	-
Total Other revenue	**1,561**	**1,561**	**-**	**-**
Total Revenues	$ 16,001	$ 15,384	$ (617)	(3.9%)
Expenditures & Transfers				
Police Services				
Patrol	128,346	128,950	604	0.5%
Investigations	73,784	73,852	68	0.1%
Operational Services	36,896	36,827	(69)	(0.2%)
Administration	12,270	12,437	167	1.4%
E-Comm allocation	15,395	15,781	386	2.5%
Shared support services	7,087	7,253	166	2.3%
Transfers to / (from) reserves & other funds	(187)	(187)	-	-
Total Police Services	**273,591**	**274,913**	**1,323**	**0.5%**
Total Expenditures & Transfers	$ 273,591	$ 274,913	$ 1,323	0.5%
Net Operating Budget	$ (257,590)	$ (259,530)	$ (1,940)	0.8%

Note: Totals may not add due to rounding

Explanation of Changes – Recoveries

The 2016 decrease in recoveries is due to a reduction in the number of secondments working on specific joint force operations. This reduction is offset by a corresponding reduction in the total expenditure budget, resulting in a net-zero impact on the budget.

Explanation of Changes — Expenditures

Operating expense changes are largely attributed to existing contractual wage increments and benefits pursuant to collective agreements and an increase in the allocation of costs related to E-Comm.

The federal government has transferred costs for DNA analysis to the provinces. The BC provincial government has proposed downloading a portion of these costs to municipal police agencies, a $0.6 million risk to the City's budget if implemented.

Notable Capital Projects

No notable projects to include.

Budget Trend

Major Category ($000)	2012 Approved Budget	2013 Approved Budget	2014 Restated Budget	2015 Restated Budget	2016 Proposed Budget
Revenues					
Parking revenue					
Other parking revenue	55	55	155	155	155
Total Parking revenue	**55**	**55**	**155**	**155**	**155**
Cost recoveries, grants & donations					
Police Services recoveries, grants & donations	12,008	12,279	12,136	14,285	13,668
Total Cost recoveries, grants & donations	**12,008**	**12,279**	**12,136**	**14,285**	**13,668**
Other revenue					
Police Services revenue	1,471	1,471	1,561	1,561	1,561
Total Other revenue	**1,471**	**1,471**	**1,561**	**1,561**	**1,561**
Total Revenues	$ 13,534	$ 13,805	$ 13,852	$ 16,001	$ 15,384
Expenditures & Transfers					
Police Services					
Patrol	111,390	118,458	122,207	128,346	128,950
Investigations	66,557	66,934	69,689	73,784	73,852
Operational Services	35,399	34,725	36,621	36,896	36,827
Administration	13,331	12,848	12,000	12,270	12,437
E-Comm allocation	-	-	14,645	15,395	15,781
Shared support services	-	-	6,964	7,087	7,253
Transfers to / (from) reserves & other funds	(173)	(173)	(534)	(187)	(187)
Total Police Services	**226,504**	**232,792**	**261,592**	**273,591**	**274,913**
Total Expenditures & Transfers	$ 226,504	$ 232,792	$ 261,592	$ 273,591	$ 274,913
Net Operating Budget	$ (212,970)	$ (218,987)	$ (247,740)	$ (257,590)	$ (259,530)
Capital Budget ($ million)	$ 2.1	$ 1.5	$ 0.3	$ 0.1	$ -

Note: Totals may not add due to rounding

Increases in the operating budget are primarily due to collective agreement wage increases, step increments and benefits. The 2013 budget included new funding of approximately $2.0 million for the Community Safety Program. The 2014 increase was the result of a reporting change whereby certain police-related costs previously held in the budgets of corporate shared support services are now reported in the VPD's budget, better reflecting the total policing cost. These cost allocations are approximately $23.0 million. The increase in 2014 is also due to the impact of arbitrated wage adjustments in 2013 and 2014 for the Vancouver Police Union Agreement. The 2015 budget included new incremental funding of $0.5 million for a new bike and pedestrian safety initiative.

Employee Trend Table

Police	2011	2012	2013	2014	2015F
Regular Full-Time Staff	1,756.0	1,786.0	1,793.0	1,776.0	1,777.4
All Staff (including Part-time, Temporary and Auxiliary) Full-Time Equivalents*	1,766.0	1,785.3	1,827.3	1,813.3	1,818.4

*excluding overtime

Regular full-time (RFT) staff numbers represent an average head count of all regular full-time sworn and civilian staff during the year. This figure includes recruits who have not yet graduated from the Police Academy and are thus not yet deployed for policing duties. It also includes fully cost-recoverable sworn secondments working in joint force operations with other police agencies.

As the recruit hiring process is lengthy and the recruit training program is approximately nine months, recruitment is based on projected attrition. Differences between projections and actual attrition typically result in annual head count variations.

In addition to RFT staff, all-staff numbers include the part-time auxiliary pool of Community Safety Officers. The increase in all-staff head count between 2012 and 2013 reflects Community Safety Program pilot implementation.

VANCOUVER PUBLIC LIBRARY

The Vancouver Public Library (VPL) system operates as a separate legal entity from other municipal government services and is enacted under the Province of British Columbia's *Library Act*. The Vancouver Public Library Board is responsible for developing library policy and service strategy, providing financial oversight, and working with the chief librarian to oversee the provision of services. Vancouver City Council provides the Library Board with an annual budget to undertake these activities. The Library Board's roles and responsibilities, including governance and financial management, are outlined in the *Library Act*. The Library Board is made up of 13 volunteer members appointed by Vancouver City Council: 12 are resident appointments, with two residents appointed from elected boards, and one from City Council.

Across Canada, public libraries are dedicated to ensuring every community member — regardless of economic situation, technological awareness, age or other demographic characteristics — has access to the information, knowledge and cultural expression that can enrich their lives.

Primarily funded by the City of Vancouver, with more than 430,000 cardholders and nine million items borrowed annually, VPL is the seventh-largest public library system in Canada. With collections, services and technology offered at 21 locations — including the Central Library, as well as an extensive virtual library — VPL is accessible to all Vancouver residents.

Today major cities across the country are renewing their public libraries, recognizing that robust and equitable knowledge and social infrastructure are critical in engaging citizens in the economic, social, cultural and civic life of communities in this information and digital age. At the same time, there is also recognition that public libraries play an important role in fostering community, individual creativity and innovation. In a 2015 NRG survey of 1,001 Vancouver residents over 18 years, 61% of respondents noted they used the library and its diverse spectrum of services offered. In this same survey, more than 80% of respondents noted the importance of having the public library provide access to wide-ranging collections and free public spaces.

KEY SERVICES DELIVERED

VPL provides services in five areas:

- **Collection and Resources —** Providing access to books, videos, newspapers and other multimedia and digital resources in multiple languages, these materials are collected physically and online and managed for the public;
- **Reference and Information Services —** Answering research and information questions for residents in person and by phone, email and chat, and developing and supporting web-based self-service information resources;
- **Library Public Space —** Providing individual reading and study areas, group study and collaboration areas and multi-purpose rooms for free public use and rental;
- **Information Technology Access —** Providing fee-free access to computers, software and the internet; and,

- **Library Programming** — Promoting learning, reading, culture and community connectedness, and providing programs for early childhood literacy as well as information and digital literacy for different ages and demographics.

MAJOR ACCOMPLISHMENTS IN 2015

In spring 2013, the VPL launched its 2013-2015 Strategic Plan. It includes strong components relating to social connectedness and social inclusion; supporting residents' digital literacy skills development; providing platforms for community creativity and innovation; and continuing investment in Vancouver's children and youth. The plan was developed based on research into trends, market analysis and 10 months of community consultation engaging more than 5,000 Vancouver residents.

Guided by that plan and building on internal and public service transformations of previous years, 2015 was a productive year for VPL. These transformations enabled the library to continue evolving services within increasingly constrained financial circumstances.

- **Inspiration Lab** -- In May 2015, VPL opened the Inspiration Lab. A free space dedicated to digital creativity, collaboration and storytelling, it features high-performance computers; analog-to-digital conversion stations; sound studios; video editing and self-publishing software; and free access to lynda.com, a resource for thousands of online video tutorials on design, video, photography, production and more. In the first three months of operation, the Inspiration Lab welcomed more than 1,700 studio bookings. Uses thus far have ranged from analog media conversion, recording music and music videos, creating educational videos, recording and creating family histories and mementos and creating podcasts on wide-ranging topics. To ensure efficient and effective public use of the facility, VPL staff continue refining lab services and procedures.
- **Literary Landmarks** — In early 2015, VPL launched the first collection of Literary Landmarks. Intended to celebrate Vancouver's rich and diverse literary heritage, 27 plaques celebrating authors who have lived or worked in neighbourhoods across the city were placed on streetlamps. This project was undertaken in collaboration with *BC BookWorld* newspaper with support from the Vancouver Public Library Foundation. Additional plaques will be installed each year.
- **Summer of Learning** — In partnership with the Vancouver Learning City (http://www.vancouverlearningcity.ca), Inspiration Pass partners (http://pwp.vpl.ca/inspirationpass/) and other community organizations, VPL launched Vancouver's first Summer of Learning. The purpose was to engage city residents of all ages in the many informal and non-formal learning opportunities across the city — attending a museum, talking to a neighbour, reading a book, walking through a neighbourhood. The Summer of Learning also included a focus on a self-directed learning journal and online engagement. Though resulting media coverage was limited due to other major news events, more than 2,000 residents signed up to participate in the pilot program. Staff will continue working with partner organizations to evaluate the program and make improvements for next year.
- **Vancouver Learning Guide** — In early 2015, VPL launched the Vancouver Learning Guide. This events calendar highlights free non-formal learning events across the city offered by VPL and other organizations. Over time, the goal is to see the calendar

reflect the many exciting and interesting learning opportunities throughout Vancouver. The calendar is integrated with the VPL catalogue, allowing residents to learn about relevant resources and events.

- **nə́c̓a?mat ct Strathcona Branch Library** — Work continued on an innovative building project in the Downtown Eastside (DTES)/Strathcona neighbourhood. Made possible through a partnership between the City of Vancouver, VPL, and YWCA Metro Vancouver, the site will feature the first full-service branch library to serve the DTES, Strathcona and Chinatown neighbourhoods. The site will also provide new YWCA affordable supported housing for low-income single mothers and their children. Completion is expected in summer 2016.

PLANS FOR 2016

In addition to continuing to evolve public library services in response to resident feedback, service use and sector trends, VPL has a number of significant new initiatives planned for 2016:

- **Strategic Plan Development** — The 2013-2015 Strategic Plan was an ambitious plan for VPL, with many plan initiatives continuing into 2016 before being completed. The VPL Board will spend 2016 engaging with community members, conducting research and discussing plans for the next three years — the 2017-2019 period. As part of this process, recognizing the closer working relationship between the Library and the Vancouver Archives, VPL will partner with Archives staff to seek community feedback about the Archives, working with members of the Archives team and other stakeholders to develop its strategic plan for the same period;
- **Reading Lights** — In partnership with the Children's Writers and Illustrators of British Columbia Society, VPL is placing children's literature throughout the city — creating opportunities to showcase B.C.'s remarkable children's literature while promoting a love of reading in unexpected places;
- **nə́c̓a?mat ct Strathcona Branch Library** — VPL anticipates opening the full-service branch (replacing the library's limited-service branch currently located in the Strathcona Elementary School) in summer 2016; and,
- **Central Library Levels 8/9 Planning** — VPL will continue working with staff at the City's Real Estate and Facilities Management department to develop detailed plans for Levels 8 and 9 of the Central Library. The Library's expansion into these spaces will not only create inspiring new public spaces for the community, but generate necessary space to accommodate the Vancouver Archives on Level 7 (to be submitted for the next Capital Plan).

LOOKING AHEAD, 2017-2020

The VPL Board will spend 2016 working on its 2017-2019 Strategic Plan, basing its aspirations for the library on significant community engagement and research. The Library looks forward to sharing plans for future services or enhancements in late 2016. Activities already planned for the 2017-2020 period include:

- Opening Levels 8/9 to the public (Q1 2018);

- Planning for relocation of the Archives to the Central Library (planning to start in 2017 or 2018);
- Relocating the Archives to the Central Library (2019-2020);
- Opening the redeveloped Oakridge Branch Library in the new Oakridge Town Centre (2019);
- Expanding VPL's digital repository (2017);
- Replacing the Integrated Library System (library catalogue, acquisitions system and account management system)(date TBC);
- Redeveloping the Marpole Branch Library (date TBC); and,
- Planning for redevelopment of the Britannia Branch Library (date TBC).

DEPARTMENT SERVICE METRICS

Collections and Resources

VPL's public collections consist of diverse formats including physical items (e.g., books, CDs, DVDs), subscription web-based digital collections (e.g., streaming music, electronic journal collections, web-based reference resources) and other digital resource collections (e.g., downloadable eBooks, online language learning). To support the multilingual community, VPL also collects physical materials in 17 languages.

Consumer preference trends and library service use trends inform the VPL's balance between physical and electronic book-purchasing. Despite media attention and popular assumption, only 20% of book sales in Canada are in eBook formats (BookNet Canada). In 2014, the publishing sector saw a levelling off in print book sales while previously dramatic increases in eBook sales also levelled off. Though this trend continued for eBook sales in 2015, print book sales actually increased. Through this fluctuation, VPL and other Canadian libraries continue struggling to meet demand for e-collections; buying materials in multiple formats, at the high prices associated with large multinational publishers, is a challenge.

At VPL, fall 2015 will see the launch of several new exciting digital download and streaming collections for access by Vancouver residents:

- Zinio will provide streaming and downloadable access to more than 400 popular magazines, full-colour digital replicas of print titles such as *National Geographic*, *Newsweek*, and *Cosmopolitan*;
- IndieFlix will provide access to more than 6,500 streaming independent films; and,
- OneClickdigital will provide access to more than 6,000 downloadable or streaming popular fiction e-audio books.

VPL collections-use metrics include the borrowing of physical library materials, downloadable eBooks and eAudiobooks, as well as use of web-based digital collections. Metrics do not include materials used within the library, which may exceed 1.5 million items annually based on one week of sampled data.

As far as trends, VPL continues to see a slight decline in use of its physical collection and an increase in eBook circulation. It is anticipated this trend will continue in future years. Thanks to the introduction of additional formats, print use is also impacted by decreasing collection diversity. Staff will continue monitoring trends and use and will adjust collection development practices accordingly.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Collections and Resources	Quantity	# items available to the public	2,688,228	2,619,129	2,636,374	2,467,077	2,488,077
		Total items in the collection used	10,323,341	10,326,757	9,847,317	9,303,192	9,151,664
		# of print items available	2,617,597	2,548,779	2,542,456	2,363,040	2,376,540
		# of electronic items available	70,631	70,350	93,918	104,037	111,537
	Quality	Total print items used	9,983,429	9,969,158	9,246,827	8,637,171	8,363,090
		Total electronic items used	386,473	491,052	600,490	666,021	788,574
	Result	Items used per capita	17.11	16.97	16.05	15.04	14.68

Information Technology Access

Public libraries are an important point of service access for vulnerable and low-income residents, offering access to computer and Internet resources and software (such as Open Office). As people seek Wi-Fi access in combination with study and work spaces that are free of fees and commercial pressures, VPL's Wi-Fi use continues growing.

To supplement the technology VPL makes available for use, the library also offers computer and digital literacy instruction. This training is highly used by those newly engaged in technology, with families and students being emerging groups for focus. Given the growing abundance and complexity of digital information, the need to create diverse information sources to help the public recognize reliable information has been identified.

Access and training services, together, ensure all residents have the potential to build the knowledge, skills and abilities required to find and use needed information and resources — and to engage in the digital economy and civic life.

Use of public computers is anticipated to remain stable, and the library anticipates being able to continue meeting demand. Computer sessions are anticipated to decrease slightly in 2016, while hours used are increasing. Wi-Fi use continues increasing rapidly.

May 2015 saw the launch of the Inspiration Lab, while the initiation of a long-awaited upgrade of the eight-year-old public Wi-Fi infrastructure occurred in September.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Information Technology Access	Quantity	# of public access computer workstations	568	555	595	582	607
	Quality	# of Internet sessions-wired and wireless	1,793,838	2,013,420	2,405,883	2,649,595	2,951,831

Library Public Space

Residents use library spaces for various reasons: to browse and use the collections, study and work individually and in groups, attend programs, access the Internet and simply to enjoy inviting space. For many families, and those living in smaller residential spaces, the public library serves as living room, study and gathering space. With no user or access fees, spaces are designed to be comfortable and welcoming; the VPL works diligently to ensure a safe and inclusive environment.

All library branches regularly reach capacity in terms of space use, notably on weekends. Yet the space-use metric (number of in-person visits) does not tell the full story on actual use or saturation. As such, VPL is working on other ways to measure usage that will deepen understanding and inform better, more responsive space design going forward.

In 2015, VPL completed refurbishing the Firehall Branch. Also in 2015: enhancements were made to the Carnegie Reading Room, while refurbishments to the Fraserview Branch will be completed by year-end.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Library Public Space	Quantity	% of public hours per week out of 12 hour x 7 days per week	63.7%	64.0%	66.0%	66.0%	66.0%
		Total square feet of all public space per 1,000 population	587	583	578	573	569
	Quality	# of in-person visitors to libraries in system	6,523,630	6,576,190	6,904,136	6,804,418	6,804,418

Library Programming

Library programming targets a wide range of outcomes: general awareness, cultural appreciation, community-building and social connectedness, and multiple literacy skills development. There's also a range of programming types: early literacy skills programming for caregivers and children; computer, digital and research training for all ages; author readings and book clubs; social issue dialogue programs; Writer-in-Residence and Aboriginal Storyteller-in-Residence programs; and many more. As well, VPL continues working with more than 400 community groups to support delivery and sharing of their own programming and expertise in library spaces. VPL's various teen advisory groups – an important leadership opportunity for teens – continue thriving, with collective membership at more than 150.

In recent years, to improve the learning opportunity quality for attendees, VPL has increased the number of small group and one-on-one digital literacy sessions. This adjusted approach has resulted in more programs — without a commensurate attendance increase. As the 2014 level of programming was unsustainable given existing resources, staff planned to reduce the number of programs in 2015 — with plans to maintain that reduced level in 2016.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Library Programming	Quantity	# of programs	7,447	7,793	8,034	9,366	8,600
	Quality	Program attendance	240,233	246,716	235,767	240,352	242,500

Reference and Information Services

- **Reference and information questions** — In recent years, VPL has experienced a slow but notable decline in the number of reference and information questions people ask at the Central Library's information services desks, demonstrating changing use of this space and some of its services. This trend is consistent across the library sector.

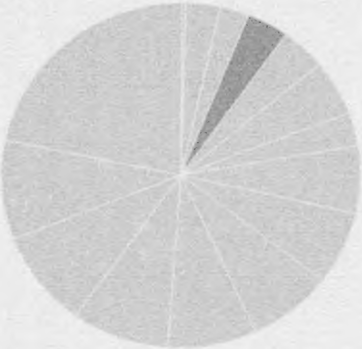
  In response to these changing use patterns, June 2013 saw a new Information Services model implemented at the Central Library. The model provides a service experience that blends traditional services offered via reference desks with mobile technology that delivers location-based services. To date, this service model has been met with mixed feedback from patrons. In 2015, staff continued adjusting this model across the library system. It is anticipated service use will stabilize over the 2015-2016 period, or continue declining; increased use is not anticipated.

- **Staff hours** — In 2014, the calculation method for staff hours was adjusted to reflect new reduced staffing levels, affecting metrics from July 2013 onwards and increasing the number of questions staff handle per hour.

- **Website use** — The number of website visitors decreased in 2011 and 2012 as the VPL moved significant content from its own site to a hosted service, meaning that VPL's website analytics did not include metrics related to hosted service use. This was corrected in 2013, and website visits remained relatively stable through 2014. While website visits for 2015 were projected to increase thanks to increasing use of digital services, Q2 2015 saw a slight decline for two reasons: 1) fine-tuning of Google Analytics for reporting purposes, and 2) a number of key electronic subscriptions VPL offers to the public are now 'app-based' and do not require access via VPL's website. Staff are reviewing available metrics from these sources and appropriate approaches for reporting for the remainder of 2015. Data pertaining to website visits does not include use of library content on social media or other sites such as Facebook or YouTube, nor does it include social media engagement metrics.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Reference and Information Services	Quantity	# of research questions answered	901,585	865,786	841,433	773,861	711,952
		# of website visits	5,173,939	5,251,691	5,312,897	5,137,386	5,240,134
	Quality	# of total questions answered per staff hour	6.53	6.13	7.34	7.59	7.20
		# of unique website visits per capita	8.57	8.63	8.66	8.31	8.40

2016 BUDGET



Library makes up 4% of the 2016 Operating Budget

VPL's 2016 Operating Expenditures Budget is $47.7 million: $39.4 million for Public Services, $5.8 million for Administration (staffing and other costs for administration, finance, shipping, purchasing, maintenance, security, event rentals, and human resources), and $2.4 million for shared support services. VPL's net operating budget is $43.3 million.

The 2016 Budget anticipates the summer opening of the new nə́c̓aʔmat ct Strathcona Branch Library.

Compared to other large urban public libraries, comparative data for 2014 demonstrates that VPL operates at a lower cost per square foot: Vancouver ($93.46 – adjusted to include Library Square operating and maintenance costs), Greater Victoria ($116.45), Toronto ($100.32), Ottawa ($96.18), Edmonton ($120.48), and Calgary ($114.37).

Year-over-Year Budget Changes

Major Category ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)
Revenues				
Program revenue				
Library program revenue				
Fines & penalties	922	899	(24)	(2.6%)
InfoAction revenue	594	575	(19)	(3.2%)
Facility rental	500	496	(4)	(0.8%)
Other library revenue	546	581	35	6.4%
Total Library program revenue	**2,563**	**2,551**	**(12)**	**(0.5%)**
Total Program revenue	**2,563**	**2,551**	**(12)**	**(0.5%)**
Cost recoveries, grants & donations				
Library recoveries, grants & donations	1,960	1,899	(61)	(3.1%)
Total Cost recoveries, grants & donations	**1,960**	**1,899**	**(61)**	**(3.1%)**
Total Revenues	$ 4,523	$ 4,450	$ (73)	(1.6%)
Expenditures & Transfers				
Library				
Public Services	38,889	39,442	553	1.4%
Administrative Services	5,869	5,788	(82)	(1.4%)
Shared support services	2,462	2,433	(29)	(1.2%)
Transfers to / (from) reserves & other funds	76	75	(1)	(1.4%)
Total Library	**47,296**	**47,738**	**442**	**0.9%**
Total Expenditures & Transfers	$ 47,296	$ 47,738	$ 442	0.9%
Net Operating Budget	$ (42,774)	$ (43,288)	$ (514)	1.2%

Note: Totals may not add due to rounding

Explanation of Changes — Expenses

The 2016 budget for Public Services has been increased in response to the planned, late summer opening of the new nə́c̓aʔmat ct Strathcona Branch Library, which will require additional staff prior to opening.

Notable Capital Projects

The following table summarizes two noteworthy projects involving the VPL. A complete list of all capital projects for 2016 is included in the Appendixes to the Council Report.

Project Name ($ millions)	Total Project Budget	Forecast 2015 Expenditure	2016 Annual Expenditure Budget	Future Years
nə́c̓aʔmat ct Strathcona Branch Library	18.4	3.7	11.0	0.0
Central Library - Expansion of levels 8 and 9*	3.1	0.1	0.4	15.0

* Included in REFM departmental budget.

The nə́c̓aʔmat ct Strathcona Branch Library project is a new branch library with YWCA-operated housing units above the library. The project is under construction, with anticipated completion and subsequent opening anticipated for summer 2016.

At the Central Library, an expansion of levels 8 and 9 will add more than 35,000 square feet — both inside and outside. This expansion will see the creation of a two-storey public atrium, silent reading gallery, community-use spaces, a “garden in the sky,” spacious public terraces at each end of the building, and inviting spaces for reflection, learning, gathering and cultural exchange.

Budget Trend

Major Category ($000)	2012 Approved Budget	2013 Approved Budget	2014 Approved Budget	2015 Restated Budget	2016 Proposed Budget
Revenues					
Program revenue					
Library program revenue					
Fines & penalties	1,013	989	989	922	899
InfoAction revenue	344	426	516	594	575
Facility rental	409	460	485	500	496
Other library revenue	524	510	513	546	581
Total Library program revenue	**2,290**	**2,385**	**2,503**	**2,563**	**2,551**
Total Program revenue	**2,290**	**2,385**	**2,503**	**2,563**	**2,551**
Cost recoveries, grants & donations					
Library recoveries, grants & donations	1,888	1,995	1,919	1,960	1,899
Total Cost recoveries, grants & donations	**1,888**	**1,995**	**1,919**	**1,960**	**1,899**
Total Revenues	$ 4,178	$ 4,379	$ 4,423	$ 4,523	$ 4,450
Expenditures & Transfers					
Library					
Public Services	36,858	36,942	38,172	38,889	39,442
Administrative Services	5,828	5,861	5,759	5,869	5,788
Shared support services	-	-	-	2,462	2,433
Transfers to / (from) reserves & other funds	(2)	57	76	76	75
Total Library	**42,684**	**42,860**	**44,006**	**47,296**	**47,738**
Total Expenditures & Transfers	$ 42,684	$ 42,860	$ 44,006	$ 47,296	$ 47,738
Net Operating Budget	$ (38,506)	$ (38,480)	$ (39,584)	$ (42,774)	$ (43,288)
Capital Budget ($ million)	$ 2.9	$ 0.8	$ 4.7	$ 6.9	$ 11.3

Note: Totals may not add due to rounding

Between 2012 and 2015, expenditure increases are due to negotiated wage increases, offset by procurement savings and other identified cost reductions. In 2016, funds have been added for the new nə́c̓aʔmat ct Strathcona Branch Library.

As borrowing and collection use shifts to digital materials, VPL will see a decline in revenues from fines and lost material charges. As well, increased interest in leveraging community partnerships for programming may result in reduced room rental revenue over time.

Employee Trend Table

Library	2011	2012	2013	2014	2015F
Regular Full-Time Staff	374.0	375.0	369.0	367.0	366.2
All Staff (including Part-time, Temporary and Auxiliary) Full-Time Equivalents*	510.8	506.9	490.8	499.4	494.7

*excluding overtime

As more time shifts to part-time hours and efficiencies are achieved, the number of full-time staff required has been decreasing.

VANCOUVER FIRE AND RESCUE SERVICES

Vancouver Fire and Rescue Services (VFRS) responds to approximately 50,000 incidents annually: fires, hazardous material events, medical emergencies, motor vehicle incidents, public service calls and special operations. Uniformed staff provide premise safety inspections and enforcement in accordance with the City of Vancouver Fire Bylaw; educate the community in fire/life safety programs; lead a Heavy Urban Search and Rescue (HUSAR) team; and host public health clinics in the community. In addition to supporting the citizens of Vancouver, VFRS provides support, on a cost-recovery basis, to 80,000 people at the University of British Columbia (UBC) and the University Endowment Lands — including citizens and seasonal residents.

As community safety practitioners, VFRS suppression staff — the largest segment of its workforce — are committed to promoting safer communities through a multi-pronged approach using a combination of proactive and reactive initiatives. Beyond the emergency call, firefighters are responsible for inspecting and ensuring compliance with the Vancouver Fire Bylaw for approximately 28,000 structures, and leading fire and life safety education in the community.

KEY SERVICES DELIVERED

Fire Suppression and Special Teams Service — Trained responders support public safety by providing an all-hazards response service, including structure fires, Hazmat incidents, technical and confined space, structural collapse, trench rescues, wild lands, auto-extrication, and marine firefighting response

Fire Prevention — Trained public safety professionals inspect business and residential properties to ensure and enforce compliance with the fire code and associated bylaws, and offer fire/life safety education to the community

Medical Response — Trained responders provide pre-hospital care services to citizens as a layered first responder emergency medical service with British Columbia Ambulance Service (BCAS)

MAJOR ACCOMPLISHMENTS IN 2015

With response, inspection, enforcement and education activities, VFRS continues transforming how City staff and resources can better serve citizens to meet increasing service requirements. In 2015, VFRS worked on a range of initiatives in the areas of suppression, prevention and medical, including:

- **Fire Suppression and Special Teams —**
    - VFRS, Port Metro Vancouver (PMV), the City of North Vancouver, the District of North Vancouver, and West Vancouver are in the final stages of developing a marine firefighting response service for the inner harbour and all Vancouver lands bordering on water — including those on the north arm of the Fraser River. VFRS received two new fast-attack fireboats in late 2015, replacing the aging fireboats currently in operation. VFRS will provide marine firefighting

response services and will operate these vessels. The boats require some minor outfitting and customizing of navigation and communication equipment. They are expected to be in service in early 2016.

  - The Vancouver Volunteer Corps (VVC) and Neighbourhood Emergency Action Team (NEAT) are volunteer-based programs that respond to emergency situations and large public events. In 2015, an additional 220 Vancouver residents were VVC-trained, bringing the total number of program volunteers to 520. An additional 150 volunteers were provided NEAT training, allowing VFRS to more than double the number of available volunteers. New leadership opportunities within the program have kept volunteers active and engaged.
  - VFRS is leading the City's Driver Services program, an initiative to train and recertify city drivers (using driver-trainers) to improve drivers' skills and citizen safety while meeting National Safety Code standards. The Driver Services program has conducted more than 600 vehicle audits and trained or recertified more than 1,000 drivers.
  - In 2015, VFRS has implemented new technology to more effectively manage HUSAR equipment, tools, training and deployment.
  - VFRS has implemented enhanced staff engagement initiatives, including regularly scheduled monthly fire hall visits by exempt chief officers, to more effectively communicate with its firefighters and provide information on important and emerging issues.

- **Fire Prevention —**
  - The Fire Prevention group implemented a bicycle program that uses bikes for specific inspection districts and special events. This is a first-of-its-kind prevention initiative in Canada and aligns with City's green initiatives.
  - A new City of Vancouver Fire Bylaw was implemented that better aligns with the provincial fire code, retains certain provisions unique to Vancouver and includes a new strategy to reduce the number of false fire alarms.
  - A comprehensive review of the lock box program that allows emergency access to premises in the event of an emergency was completed.
  - The Fire Life Safety and Education (FLSE) and Recruitment/Outreach divisions conducted in-depth audits of all internal programs and processes to achieve efficiencies and incorporate best practices. The new recruitment process now includes the Candidate Physical Assessment Test (CPAT), an international testing standard. In addition, a ride-along program is now used to assist in assessing candidates. In 2015, the FLSE division realized efficiencies by streamlining processes and leveraging technology to deliver programs with reduced resources.
  - VFRS developed new outreach and communication strategies.
  - Since 2013, more than 600 properties have been monitored by the Hoarding Action Response Team (HART). The HART team is a partnership between the City and Vancouver Coastal Health to provide a coordinated community response to those impacted by hoarding. In 2015, 232 inspections were completed, successfully reducing hazards and improving safety.

Medical Response

First responders have continued providing pre-hospital care services to citizens as a layered first-responder emergency medical service with British Columbia Ambulance Service (BCAS). The BCAS resource allocation plan implemented by the Provincial Health Services Authority (PHSA) has continued to present challenges for VFRS. These changes have resulted in a steady increase in wait times for ambulance arrival, causing additional pressures on all VFRS resources — not only those directly related to medical response. Due to the additional time firefighters are required on-scene, the department is experiencing a decrease in productivity related to premise inspections, training and other programs.

PLANS FOR 2016

Fire Suppression and Special Teams

Drivers of change for Fire Suppression and Special Teams include population growth and density, building construction and the use of six-storey wood frame construction throughout the Cambie and Kingsway corridors, East Fraser Lands, and the Hastings area. Other changes are the result of shifts in traffic patterns due to increased bike and transit lanes. New special teams will be added to diversify the department's response capabilities with the introduction of Marine Firefighting and Rapid Intervention Specialty Teams. Marine firefighting capabilities will assist in supporting VFRS's Marine and Shoreline Safety and environmental protection initiative (outlined in the corporate business plan). Advanced Rapid Intervention Specialty training will assist in supporting firefighter safety in fire-related incidents.

Other specific initiatives in 2016 include:

- In March, VFRS will begin receiving the first of 25 new fire apparatus that include a special operations technical rescue unit, five rescue engines, nine engines, and 10 ladder trucks. VFRS expects to receive between two and three vehicles per month. In addition, eight of the department's existing rescue trucks will be replaced with smaller vehicles that support a long-term strategy to cross-staff larger ladder trucks with medic units; these trucks will enable a more dynamic response, help manage operating costs more effectively and contribute to lowering greenhouse gas (GHG) emissions;
- Two new fireboats arrived in late 2015. By early 2016, the department will have concluded vessel outfitting and training the new marine firefighting team;
- VFRS will implement a succession plan to develop and grow existing leaders that will enable greater opportunities for staff development. The program will include education, special projects and self-development;
- Four new assistant chief operations positions will be hired, part of an organizational restructure that will enable exempt management oversight 24 hours a day, seven days a week. For each shift, one exempt assistant chief officer will be located within the fire halls and be responsible for two battalion chiefs and a response district. As a result, VFRS will have enhanced internal communication and engagement and improved ability to provide proactive direction to staff while being able to more effectively manage human resources and labour relations. As incumbents retire, four of the existing 12 battalion chief positions will be held vacant;

- To improve staff scheduling, an electronic solution will be implemented. Currently, the department uses a manual process to schedule 800 firefighters on four shifts at 20 fire halls. The scheduling process is complex as it requires scheduling firefighters with different ranks, qualifications and specialty skills to ensure appropriately trained staff are assigned to specific apparatus;
- VFRS is working with stakeholders to improve emergency radio communications and infrastructure. In 2016, VFRS will work with E-Comm 9-1-1[7] on the radio communications equipment replacement and systems upgrade. In 2016, VFRS and other E-Comm 9-1-1 supported fire agencies will test a pilot system that will include scenario-based drills and voice clarity observations. Full deployment of the new radio system is expected in 2017;
- The City will develop a 30-year fire hall renewal plan that optimizes fire hall locations, sizes and formats. Factors informing the plan will include fire suppression and prevention service levels; training requirements; existing fire hall replacement/renewal requirements; and a commitment to align fire hall development or redevelopment with other key City of Vancouver amenities;
- To ensure the well-being of VFRS firefighters, the department is implementing a health and wellness program to improve the health, wellness and fitness of all VFRS employees. The program will include physical fitness, mental health, injury prevention, lifestyle and rehabilitation. These components will help increase early detection of occupational illnesses while decreasing time-loss due to illness and workplace injuries; and,
- VFRS will work collaboratively with the Canadian Mental Health Association (CMHA) to develop a program that delivers enhanced mental health resources to its firefighters. A specific first responder curriculum will promote mental health awareness, wellness and resilience. Planned program components include tools to assist members with responses to critical incidents and operational stress, and enhanced skills to help firefighters assist members of the public.

Fire Prevention

Drivers of change for Fire Prevention include: an increase in community development, particularly new buildings such as laneway homes, multi-family dwellings and high rises; complex inspections, such as Single Room Occupancy dwellings (SROs); and bylaw code changes for high rises, care facilities, restaurants and hoarding situations. In 2016, fire prevention will see continued development of the risk-based premise inspection program (based on risk assessment of buildings and occupancy) — including training for suppression staff by fire prevention inspectors to facilitate complex high-rise and restaurant inspections.

Other specific initiatives in 2016 include:

- Streamlining the permitting process with the Vancouver Services Review's Permits and Licence Transformation Program;
- Developing amendments to the Fire Bylaw, in consultation with stakeholders, to evaluate occupancy load and access to high-rise buildings; and,

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[7] For more info on E-Comm 9-1-1 http://www.ecomm911.ca/

- Continuing to engage building owners' and managers' associations for larger building complexes to promote pre-fire safety education and a comprehensive, proactive approach.

Medical Response

Drivers of change for emergency medical response include: an increasing population and changing demographics; changes to the Resource Allocation Plan (RAP) of the British Columbia Ambulance Service (BCAS); and the complexity of building heights and sophisticated security systems impacting vertical incident response times.

There has been a steady increase in VFRS on-scene time with patients as BCAS continues to experience delayed response due to the RAP. VFRS will continue working with external stakeholders, including British Columbia Emergency Health Services (BCEHS), the Provincial Health Services Authority (PHSA), and BCAS, to optimize medical response across the city. To appropriately manage resources and provide an efficient service, response and effectiveness are being reviewed.

Initiatives include:

- Continuing to engage with stakeholders to increase the effectiveness of medical response for citizens; and,
- Dispatching crossover medical units and using GPS dispatching to respond to medical calls.

LOOKING AHEAD, 2017-2020

- By the end of 2015, VFRS will have responded to more than 52,000 emergency incident calls. VFRS anticipates that emergency incident call volumes will increase by an estimated 7-9% annually, reaching more than 78,840 calls by 2020.
- VFRS will strive to align resources to continue effectively delivering services to citizens in emergency response, safety inspection and enforcement of premises, and providing life/safety education in communities.
- VFRS will continue refining and improving internal processes and systems to deliver quality emergency response with greater efficiency. The department leverages business intelligence tools and metrics to provide insight into operational performance to support data-driven decision making and inform development of proactive and reactive response strategies. The department will continue conducting periodic evaluations of the deployment model and revising the model as required.
- The department will build on enhanced engagement strategies and succession plans implemented in 2015-2016 to provide growth and training opportunities and develop exceptional organizational leaders.

- VFRS is preparing more comprehensive strategies to manage the impact of climate-related events, as recently experienced with the 2015 summer drought, windstorm and floods. Community fire halls are a key link to improving citizen emergency readiness and community resilience. When not responding to emergencies, firefighters will use their capacity to promote emergency preparedness and recovery in the community.
- To assist in mitigating the risks associated with increased development of six-storey wood frame constructions, fire prevention staff will perform pre- and post-construction inspections at regular intervals.
- VFRS will seek opportunities to enhance regional emergency response by working with stakeholders to establish regional agreements for municipal border coverage, hazardous material and fireboat/marine response.

DEPARTMENT SERVICE METRICS

- **Fire Suppression and Special Teams –**
    - VFRS is seeing a slight incremental increase in response times to fires due to increasing traffic congestion and traffic-calming initiatives. The percentage of fires confined to the area of origin has seen a 3% decrease over the past three years, but the average five-year rate has remained stable. VFRS continues to examine each fire-related injury and death and directs prevention and education programs and services as a strategic response.
    - The unseasonably dry weather in spring and summer 2015 contributed to an increase in outdoor fires. During the months of April through August 2015, there was a 25% increase in the number of fires compared to 2014.
    - In 2015, there were a number of major fires that resulted in extensive insurable damage. These increase the average dollar loss per fire metric for 2015 relative to prior years with the exception of 2014, when VFRS responded to a four-alarm fire (in October 2014) that resulted in major insurable damage at 49th Avenue and Granville Street.
    - Since 2013, the number of fire safety inspections conducted by suppression staff has declined by 15% due to improved inspection procedures and efficiencies realized by the risk-based premise inspection program.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Fire Suppression and Special Teams	Quantity	# injuries / deaths	46/3	49/3	63/2	63/3	no forecast
		# of all fires with damage	1,404	1,468	1,617	1,545	1,600
		# of fire safety inspections	9,190	11,160	13,578	12,057	11,800
	Quality	% of structure fires confined to area of origin	23%	24%	21%	19%	18%
		Response time at the 90th percentile	6:24	6:08	6:14	6:25	6:28
	Result	Average $ fire loss per fire	$18,329	$18,194	$15,955	$24,581	$17,500
		# of Fires With Damage / 1,000 population	2.3	2.4	2.7	2.6	2.6

Fire Prevention

Fire prevention inspectors worked with suppression staff to conduct risk-based inspections, enabling inspectors to target and increase their inspection frequency of high-risk buildings, while suppression staff focused on more comprehensive inspections of low- and medium-risk premises. To maximize efficiency and minimize travel time, buildings inspections are grouped into manageable geographical areas.

The total number of life safety inspections, at 20,200, includes inspections conducted by fire prevention inspectors and suppression fire safety inspectors. The number of inspectable properties with violations is expected to decline over the long term due to an increase in owner-occupant accountabilities.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Fire Prevention	Quantity	Total number of life safety inspections	17,363	19,158	20,441	19,059	20,200
	Quality	% of violations per total inspections	9.6%	6.4%	9.5%	8.9%	8.2%

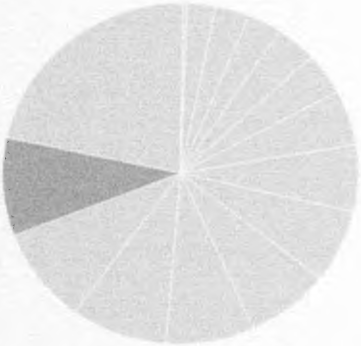
Medical Calls

VFRS provides pre-hospital care services to citizens as a layered emergency medical service with the British Columbia Ambulance Service. VFRS continues to maintain a strategic partnership with BC Emergency Health Services (BCEHS), and the Emergency Medical Assistants Licensing Board. The cross-staffed Fire Medic Units have assisted in maintaining consistent response times.

A slow, steady increase in the number of patients treated is anticipated due to a proportionate small population increase and aging demographics. There is also a slight increase in the number of calls related to medical incidents; however this metric has stabilized on a per-capita basis. In addition, response time — at the 90th percentile — has been restated to include emergency response only, as defined under National Fire Protection Association (NFPA) reporting standards.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Medical Calls	Quantity	# of medical incidents	32,879	33,331	34,226	35,478	35,600
		# of medical incidents per 1,000 population (does not include MVI)	48.5	48.6	50.1	51.2	52.0
	Quality	Response time at the 90th percentile	6:14	6:07	6:19	6:20	6:18
	Result	# patients treated	17,417	18,855	21,903	23,200	23,500

2016 BUDGET



Fire makes up 9% of the 2016 Operating Budget

Year-Over-Year Budget Changes

Major Category ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)
Revenues				
Cost recoveries, grants & donations				
Fire & Rescue Services recoveries	7,065	8,244	1,179	16.7%
Total Cost recoveries, grants & donations	**7,065**	**8,244**	**1,179**	**16.7%**
Other revenue				
Other department revenue	516	642	126	24.4%
Total Other revenue	**516**	**642**	**126**	**24.4%**
Total Revenues	$ 7,581	$ 8,886	$ 1,305	17.2%
Expenditures & Transfers				
Fire & Rescue Services				
Fire Suppression & Medical	100,397	103,515	3,119	3.1%
Prevention	2,844	2,924	80	2.8%
Training & Administration	4,019	4,331	312	7.8%
E-Comm allocation	4,065	4,173	108	2.7%
Shared support services	1,664	1,699	35	2.1%
Transfers to / (from) reserves & other funds	416	679	263	63.2%
Total Fire & Rescue Services	**113,404**	**117,322**	**3,917**	**3.5%**
Total Expenditures & Transfers	$ 113,404	$ 117,322	$ 3,917	3.5%
Net Operating Budget	$ (105,824)	$ (108,435)	$ (2,612)	2.5%

Note: Totals may not add due to rounding

Explanation of Changes — Revenue

Revenues for VFRS have been adjusted to reflect provincial funding for the Heavy Urban Search and Rescue Program (HUSAR), partnership funding for the new marine firefighting program, and cost recoveries for Fire Prevention and Suppression costs aligned with collective agreement increases. This adjustment aligns the budget with actual anticipated revenues. In prior years, the budget has been lower than actual revenue received.

Explanation of Changes — Expenses

The majority of the increase in the 2016 Budget reflects the City's capital investment to replace existing fire apparatus and fireboats that have exceeded their useful service lives. In previous years, fire fleet costs had decreased as internal financing for existing equipment was fully paid. The fleet's scheduled replacement over the 2015-2017 period results in an increase to the 2016 budget as the cost of financing the new fleet is now again included in the budget.

Year-over-year expenditure and transfer changes also reflect: increases in compensation, benefits and superannuation; investments in an expanded citywide Driver Services program; funding for temporary resources to support succession planning; and adjustments to reflect the new fireboat operating model.

Notable Capital Projects

The following table summarizes some of the noteworthy projects involving VFRS in 2016. A complete list of all capital projects for 2016 is included in the Council Report Appendixes.

Project Name ($ millions)	Total Project Budget	Forecast 2015 Expenditure	2016 Annual Expenditure Budget	Future Years**
Replacement of Firehall No.5*	19.1	1.1	5.0	12.1
Replacement of Firehall No.17 - Planning/Design Phase only*	3.2	0.1	0.8	12.0
Fire Truck Replacement**	35.2	1.4	27.8	6.0
VFRS Scheduling System Assessment***	1.2	0.1	0.8	0.3

* Included in REFM departmental budget.

** Included in Engineering department budget.

*** Included in IT department budget.

- **Replacement of Fire Hall No. 5 (Kerr Street and 54th Avenue)** — Deconstruction of the existing Fire Hall No.5 is underway and will continue through early 2016. Construction to replace Fire Hall No.5 is expected to begin in the second half of 2016. The project includes rezoning the property, deconstructing the existing structure and providing a temporary fire hall during the construction period.
- **Planning/design to replace Fire Hall No.17 (Knight Street and 55th Avenue)** — Preliminary design and rezoning to replace Fire Hall No.17 will begin in 2016, with construction to commence 2017 and project completion scheduled for 2018.
- **Fire truck replacement** — Over the 2015-2017 period, 26 heavy apparatus pieces are being introduced to replace existing units which are past their service lives. There is a resulting increase to VFRS's 2016 operating budget and beyond, reflecting the capital repayment of this investment.
- **VFRS scheduling system assessment** — In 2016, an electronic scheduling solution will be implemented to replace the existing manual scheduling process, incorporating multiple systems, to schedule 800 firefighters over four shifts at 20 fire halls. The current scheduling process is complex. Implementing an electronic scheduling solution will create efficiencies and modernize the VFRS scheduling system.

Other notable capital projects

- **Fireboat replacement** — In late 2015, existing fireboats will be replaced with two new, more efficient fireboats that will provide marine firefighting response to Port Metro Vancouver and neighbouring municipalities in the inner harbour.
- **Capital maintenance and minor upgrades** — Fire hall improvements will continue, with a focus on facility modifications to accommodate women firefighters, mechanical and electrical upgrades, building maintenance and bay separation projects supporting health and safety, as well as green initiatives.

Budget Trend

Major Category ($000)	2012 Approved Budget	2013 Approved Budget	2014 Approved Budget	2015 Restated Budget	2016 Proposed Budget
Revenues					
Cost recoveries, grants & donations					
Fire & Rescue Services recoveries	6,154	6,920	6,911	7,065	8,244
Total Cost recoveries, grants & donations	**6,154**	**6,920**	**6,911**	**7,065**	**8,244**
Other revenue					
Other department revenue	577	574	574	516	642
Total Other revenue	**577**	**574**	**574**	**516**	**642**
Total Revenues	$ 6,731	$ 7,494	$ 7,484	$ 7,581	$ 8,886
Expenditures & Transfers					
Fire & Rescue Services					
Fire Suppression & Medical	85,499	90,367	91,231	100,397	103,515
Prevention	2,638	2,746	2,758	2,844	2,924
Training & Administration	6,073	3,833	3,873	4,019	4,331
E-Comm allocation	-	-	-	4,065	4,173
Shared support services	130	130	130	1,664	1,699
Transfers to / (from) reserves & other funds	409	291	409	416	679
Total Fire & Rescue Services	**94,750**	**97,367**	**98,401**	**113,404**	**117,322**
Total Expenditures & Transfers	$ 94,750	$ 97,367	$ 98,401	$ 113,404	$ 117,322
Net Operating Budget	$ (88,019)	$ (89,874)	$ (90,917)	$ (105,824)	$ (108,435)
Capital Budget ($ million)	$ 1.2	$ 0.6	$ 0.1	$ 0.1	$ 0.1

Note: Totals may not add due to rounding

Explanation of Changes — Revenue

Revenues consist primarily of operating cost recoveries related to the University Endowment Lands. Year-over-year increases are largely attributed to cost recovery increases that align with increases in compensation, benefits and superannuation costs as well as program funding and recoveries related to fire suppression and fire prevention activities.

For 2016, some revenues have been adjusted to align the budget with actual anticipated revenues. In prior years, the budget has been lower than actual revenue received.

Explanation of Changes — Expenses

Increases in the operating budget are largely due to collective-agreement wage increases, step increments and benefits. The 2012-2013 change is primarily due to an increase provided in the salary and benefits budget for the 2010 and 2011 Fire Fighters' Union wage settlement for April 1, 2010-December 31, 2011.

Much of the increase in the restated 2015 budget is attributed to changes in compensation, benefits and superannuation costs resulting from the arbitrated settlement in 2015. In addition, year-over-year costs reflect internal reorganization changes that include the citywide Driver Services program.

As internal financing for equipment was fully paid, fire fleet costs decreased in prior years. Scheduled fleet replacement, starting in 2015, will result in significant increases to the 2016 budget and beyond as the cost of financing the new fleet will be reintroduced to the budget.

The trend toward shared support services reflects the continued evolution to shared services, with staff and budgets in previously decentralized work groups moving to Citywide groups led organization-wide. Increases in the shared support services budget reflect the allocation of budget to VFRS for consolidated information technology (IT), supply chain management, finance, facilities operations and planning, and human resources (HR).

Employee Trend Table

Fire	2011	2012	2013	2014	2015F
Regular Full-Time Staff	780.0	793.0	797.0	791.8	791.9
All Staff (including Part-time, Temporary and Auxiliary) Full-Time Equivalents*	779.2	790.2	800.0	791.8	794.2

*excluding overtime

The 2013-2014 employee trend reflects the evolution to shared services, with VFRS staff moving to citywide groups led across the organization for IT, supply chain management, payroll, finance, and HR.

Other fluctuations in full-time equivalents (FTEs) are due to retirements, vacancies and attendance management.

VANCOUVER BOARD OF PARKS AND RECREATION

The Vancouver Board of Parks and Recreation (Park Board) operates as a separate agency from other City of Vancouver services – the only Canadian municipality with an elected Park Board body.

The Park Board is comprised of seven elected commissioners, guided by a mandate to nurture, maintain and develop Vancouver's urban parks and recreation system and the vision of connecting residents and visitors to green space, active living and community.

The Park Board oversees delivery of parks and recreation services on behalf of the City. Maintaining a network of more than 230 parks (approximately 1,300 hectares), the Park Board's scope includes 146 sport fields, 165 playgrounds, five outdoor pools, two destination parks, gardens, and nine beaches. In addition, the Board is responsible for 24 community centres, 15 fitness centres, nine indoor pools, and eight arenas. The Park Board also manages public marinas, golf courses, concessions, sports fields, clubhouses and service yards.

KEY SERVICES DELIVERED

- **Parks and green spaces** – Plan, provide and maintain parks, natural areas and display gardens, other green spaces and attractions for public use
- **Recreation facilities** – Provide access to community centres, pools, arenas, fitness centres, and sport facilities; provide permits for use of community centres and park space
- **Recreation programming** – Oversee community programming in arenas and swimming pools across the City and work jointly with Community Centre Associations to deliver programs and classes for community centre registrants

The Park Board's 2013-2017 strategic framework outlines the organization's mission and vision, four priority areas, nine goals, and 27 strategic objectives. These elements have been developed to assist the Park Board in focusing its efforts and resources through 2017.

MAJOR ACCOMPLISHMENTS IN 2015

Parks and Recreation for All

In the Park Board's first priority area – parks and recreation for all – the following progress was made in 2015:

- **ActiveNet** – In 2015, a new recreation registration and reservation software system, ActiveNet, was introduced. Replacing the outdated Safari system, the new system is providing significant advances in system capacity, user experience, customer relationship management, marketing, payment flexibility and data reporting. Business process improvements were introduced concurrently to improve the quality of the overall customer experience as well as resource efficiency;
- **FIFA 2015 Women's World Cup** – Vancouver was proud to be selected as a Host City for the FIFA Women's World Cup in 2015. Vancouver hosted nine matches – including the tournament final, also serving as headquarters for all national soccer delegations. The Park Board and City leveraged Vancouver's Host City status to improve access to

sport for girls and women across the city, delivering various community engagement and legacy initiatives such as the new synthetic turf field surface at Hastings Park (Empire Fields);

- **Leisure Access Program** — The Park Board's Leisure Access Program (LAP) increased its fast-track referrals and continues providing access to Park Board programs for low-income residents. In 2015, wait times were significantly reduced from 21 days to fewer than 14 days. A new digital application process was developed that includes online self-referral, while an introductory five-visit pass was created giving LAP applicants instant access to free public swim and skating while their applications were in process; and,
- **Trans* and Gender-Variant Inclusion (TGVI)** — A trans* inclusive public swim was launched at Templeton Park Pool on Sunday afternoons. New signage was piloted at Templeton Pool and Hillcrest Centre, and family change areas were renamed 'Universal.' A public awareness campaign featuring the voices of trans* individuals received international attention. The Trans* and Gender Variant Inclusion Steering Committee was created.

Leader in Greening
In the second priority area — leader in greening (defined as actively demonstrating leading horticultural practices and preserving, protecting, and creating green space) — in 2015 the following strides were made:

- **Urban forest** — Work continued on expanding Vancouver's urban forest with more than 11,000 new trees on public and private lands planted, as well as work on the Urban Forest Strategy and the addition of more than 2,000 watering bags to protect newly planted trees during summer drought conditions;
- **Horticultural excellence** — A renewed emphasis on horticulture began in 2015, with a complete citywide inventory and analysis of all turf and horticultural areas — including streets. In collaboration with Engineering Services, budget and staff resources are being aligned to expected service levels in an ongoing process;
- **Invasive plants** — A new staff invasive plant management group is reducing knotweed, Himalayan blackberry and other invasive plants throughout the park system;
- **Clean, green and beautiful parks** — The Park Board's responsiveness to the April 2015 Marathassa oil spill demonstrated its lead role in protecting and conserving Vancouver's sensitive beach and waterfront environments. In 2015, there was also an emphasis on improving park and washroom cleanliness by doubling cleaning crews and adding new mechanical equipment for litter and debris removal;
- **Water conservation** — Potable water taps were turned off at Stanley Park's Beaver Lake and Lost Lagoon, and at Trout Lake in John Hendry Park, and non-potable water sources (including wells at McCleery and Fraserview golf courses and stormwater runoff ponds at Fraserview Golf Course) were sensitively applied during summer drought conditions to protect golf turf grasses. To reduce water consumption, button controllers were added to all children's water spray parks at the beginning of the summer;
- **Clean water campaign** — In June, the Park Board launched a clean water campaign that included free pump-out services for all pleasure craft at Park Board marinas to

help remind boaters, dog owners and beach-goers to keep Vancouver's water clean for everyone's health, safety and enjoyment;

- **Food sustainability** — Within the Healthy Local Food Fieldhouse Residency Program residences were added at Norquay and Strathcona parks. In this program, organizations use field house spaces in Vancouver parks to provide public programs and develop projects with the city's diverse communities over a three-year period to grow and share food (in keeping with the Park Board Local Food Action Plan and the City's Vancouver Food Strategy). Also, a new community garden opened at Beaconsfield Park; and,
- **The heron camera** — The Heron Cam gave 99,800 observers a close-up view of one of North America's largest urban colonies of Pacific Great Blue Herons in Stanley Park, from courtship through egg-laying — until the grown chicks fledged in late summer.

Engaging People

In the third priority area — engaging people — the following actions were taken in 2015:

- For the first time in Park Board history, the Board met with Chiefs and elected officials from the Musqueam, Squamish, and Tsleil-Waututh First Nations, exchanged gifts and embarked on a new working relationship for Stanley Park;
- In October, the Park Board hosted a Town Hall meeting as a pilot for a series of community discussions to be held in different quadrants of the city, expanding access and engagement opportunities with the elected Board;
- The Park Board focused on revitalizing and expanding events at its destination parks. This year, 10,000 participants attended the VanDusen Gardens 40th Anniversary celebration in August, and 20,000 attended Queen Elizabeth Park's 75th Anniversary celebration in September;
- Negotiations with local Community Centre Associations continued for an updated Joint Operating Agreement;
- The Park Board worked collaboratively with stakeholders and the Province of British Columbia to protect trees and the environment while planning for the enhanced safety of pedestrians and cyclists alike on the Stanley Park Causeway;
- With an increased focus on community consultation, staff hosted focus groups, events and consultations related to the new downtown park at Smithe and Richards streets, the Sunset Park Master Plan, the proposed location for a Love Locks sculpture, the New Brighton Park Shoreline Habitat Restoration project (in partnership with Port Metro Vancouver), and playground renewal projects at Creekside, Hastings Mill, McBride and Nanaimo parks. More than 3,000 people, combined, participated in events and online surveys for these projects; and,
- In the workplace, a leadership development program for recreation and park supervisors was implemented and a staff training committee was formed.

Excellence in Resource Management

In the fourth priority area — excellence in resource management — the following initiatives were undertaken in 2015:

- Recreation implemented an outcome-based budgeting approach to develop and monitor budgets and ensure resources are aligned to service outcomes. Meanwhile, the Park Board enhanced its seasonal staff programs and aligned positions with available budgets;
- Investment in fitness centre renewal at Dunbar and Creekside community centres occurred, and combined participation at refreshed centres increased by 5,249 visits. A capital reinvestment program for all fitness centres was also initiated;
- The Zip Line pilot (introduced this year as a trial project spanning over the Quarry Garden) was a new and successful attraction at Queen Elizabeth Park, attracting more than 25,000 visitors;
- Expanding windbreaks at Kitsilano and Second Beach pools significantly reduced greenhouse gas emissions, generating cost savings for the second year. Greenhouse gases were reduced by 220 metric tonnes in 2014 and 2015, or the equivalent of removing 46 cars from city streets, and saving $40,000 in gas consumption for the past two years; and,
- Following $10.5 million in renovations, the Empire Fields, Plateau Sports Park and greenways at Hastings Park were completed in May. New sport and play features at Vancouver's second-largest park include:
    - Two new synthetic turf fields;
    - Beach volleyball and basketball courts;
    - Ping pong tables;
    - Parkour;
    - Outdoor fitness equipment;
    - Bike park with pump track and bike skills;
    - All-ages playground;
    - Walking/jogging track; and,
    - Cycling greenways connecting the park and neighbourhood.

- **Sport field amenities** — The Park Board and City, along with community sport partners, continued working on new and upgraded amenities at almost 20 sport fields citywide — including washrooms, change rooms and player shelters at synthetic turf fields. Renovation of the Carnarvon Park Field House, electrical and storage upgrades, and improvements to the Hastings Community Park baseball fields were completed. Hastings Community Little League will host the 2016 Little League Canadian Championship in August 2016.
- **Marpole-Oakridge Community Centre** — The community centre will be renewed, the location to be determined and informed by a consultation process involving all key stakeholders to assess the best plan for the future. Co-location with other community services is a City priority; a full exploration of options through the consultation process is anticipated to start by year-end 2015.
- **The Killarney Seniors Centre (Southeast Vancouver)** — Consultations for facility design with stakeholder groups and residents in Southeast Vancouver are ongoing.

- **A new neighbourhood park and renewed park amenities** — A new park will open in November in the Shannon Mews development near Granville Street and 57th Avenue. It will include a playground, walking trails, large protected trees and views of the heritage Rogers Sugar mansion (Gabriola House). Renovations of the False Creek Community Centre preschool and Nanaimo Park playgrounds were completed and a new water spray park opened at Pandora Park.

Also in 2015: the Fundraising and Development Office continued focusing on various initiatives, including online giving, commemorative gifts, legacy giving and endowments, while a complete plan for a Park Board Foundation was introduced.

PLANS FOR 2016

The Park Board will continue advancing projects and programs initiated in 2015 and prior years. Since all elements of the Strategic Plan cannot be implemented concurrently, each year the Park Board selects several priority objectives. Detailed implementation plans and the allocation of appropriate resources support these objectives.

The following works, listed under Priority Strategic Plan Directions, have been identified by the Park Board's senior management team as 2016 priorities — subject to approval by the elected Park Board:

Parks and Recreation for All

In this, the Park Board's first priority direction area, the following are targeted for 2016:

- **Proactive service planning and delivery** — This area includes furthering Joint Operating Agreement negotiations with the Community Centre Associations (CCAs) and the VanDusen Botanical Garden Association.

- **The Parks and Recreation Services Master Plan** — This plan will kick off in 2016. Based on surveys, research and statistics, this work will see an update to parks and recreation programming and services, land use and facility needs for the next decade, aligning with the needs of Vancouver's dense and multi-faceted urban population. In addition, planning projects for 2016 include:
    - Preliminary planning and public consultation for the Marpole-Oakridge Community Centre, including assessing prospective sites for co-location and community facility service integration potential and public dialogue around the choices;
    - Renewal plans for Britannia Community Services Centre, and Ray-Cam Co-Operative Centre;
    - A non-motorized boating strategy to determine facilities and locations for water-based recreation activities such as kayaking, dragon boating and sailing
    - A dogs-in-parks plan to determine locations, improvements and amenities for dog off-leash areas citywide;
    - An aquatics strategy update, including a review of outdoor and natural pools to determine future pool facility needs; and,

    - A sport field amenity gap analysis to review and provide recommendations on improvements to sports field amenities.

- **Improving inclusivity and accessibility** — Key initiatives include enhancing access to the Park Board's recreation network and updating its economic access policy via the Leisure Access Program. Work will continue to reduce barriers for the trans* and gender-variant community. Other initiatives include:
    - Updating the Leisure Access Program to increase the number of low-income people served and increase ease of access;
    - Developing and implementing citywide standards for adapted programs offered in Park Board facilities; and,
    - Developing universal programs that ensure access for all, including physical literacy programs for young children and aboriginal youth programs.

- **Continuous quality improvement**:
    - Upgrading existing Park Board facilities and product offerings, including a review and update of OneCard products (i.e., FlexiPass and usage pass), and continue to build on ActiveNet's successful implementation; and,
    - continuing to improve business processes and establish registration best practices in 2016.

Leader in Greening

In this second priority area, the following is targeted for 2016:

- **Continuous quality improvement** — A top area of focus, the application of new service standards at existing facilities is the main goal. In City parks, the Parks Services Review will apply new schedules and maintenance standards for cleaner, greener and more beautiful parks. Work on a digital maintenance management system is also anticipated;
- **Sustainable operations** — Drought conditions in 2015 have necessitated a review of potable water applications in City parks — especially destination horticultural areas that use potable water for floral displays and golf courses. For Queen Elizabeth Park and VanDusen Gardens staff will investigate non-potable well irrigation sources and stormwater recycling, and begin work on new standard specifications for soils, mulches and xeriscaping (landscaping and gardening that reduces or eliminates the need for supplemental water from irrigation);
- **Urban Forest Strategy** — Continued planting is anticipated, with more than 14,000 trees planned for 2016; implementing strategic recommendations on public engagement, best practices and operations as well as replanting to recover trees lost in the 2015 storm is also planned;
- **Green education and advocacy work** — Includes arts and environmental residency programs; community gardens will continue; and,
- **Beaver Lake Restoration** — Plans for enhancing Beaver Lake will evolve through detailed surveys, soil tests, First Nations engagement, design work and a phasing plan for construction.

Engaging People

In this third priority area, the following actions are proposed for 2016:

- The Musqueam, Squamish and Tsleil-Waututh First Nations working group dialogue will continue on the Stanley Park Master Plan;
- A series of Park Board Town Hall meetings will take place citywide, expanding opportunities for residents to dialogue about topical Park Board issues;
- Park Board staff will pursue effective partnership arrangements with the Vancouver School Board and the YMCA for a new pool in central Vancouver, and expand connectivity with other key Vancouver institutions to provide increased access to recreation programs and spaces;
- In the area of improved communication and engagement, staff will build on existing communication and engagement approaches and tools and support events to enhance the enjoyment and vibrancy of Vancouver's public spaces and increase social connectedness. Improved communication and engagement will be demonstrated in the plans and strategy work conducted, with opportunities for all Vancouverites to provide input. Collaborating with stakeholders to determine locations for significant new facilities — including the Marpole-Oakridge Community Centre, a new synthetic turf field and a new track and field facility — will advance these projects. Engagement on neighbourhood park and playground renewal projects is also anticipated;
- To further fair recruitment and development opportunities, the pursuit of employee engagement initiatives, including continuing to implement leadership development programs based on the needs and gap analysis outcome of the Park Board's Staff Training and Development Committee, is a priority. This includes a systematic approach to ActiveNet training for all new staff and compliance-based training to meet mandatory position needs. The Park Board will also evolve succession planning; and,
- Sport hosting at various City parks and recreation venues for the Americas Masters Games 2016, the World Rugby Sevens Series 2016, and the 2016 Little League Canadian Championship at Hastings Park have been confirmed.

Excellence in Resource Management

In this fourth priority area, the following initiatives will be undertaken in 2016:

- New initiatives to increase financial sustainability, grow revenues within existing lines of business and enhance customer experience will be implemented — including working collaboratively and leveraging resources/assets of tourism partners to proactively market destination parks, gardens and attractions and concessions;
- A corporate sponsorship policy and strategy that reflects Park Board values and supports business objectives will be developed;
- Underused spaces will be explored with a focus on innovative uses and potential revenue growth, such as the Forest Education Centre at VanDusen Gardens and underused spaces in park field houses, while new opportunities to improve customer service offerings and enhance the visitor experience will be explored;

- Enhanced marketing activities will support existing and new lines of business, leverage ActiveNet and increase attendance and participation in existing and new events, programs and attractions;
- For the strategic goal of "well-managed infrastructure," project teams will deliver new amenities to meet current and future needs of Vancouverites. This includes improving infrastructure at the Burrard Civic Marina and completing the Stanley Park West Electrical System upgrade;
- Renewing and upgrading Park Board golf courses will ensure a quality golf experience; design work to reinvent the aging driving range at the Fraserview Golf Course will also begin;
- The Creekside Paddling Centre will open as the new and fully accessible home for False Creek dragon boaters; meanwhile, Hillcrest and Riley park renovations will be completed, serving local residents and organized sport enthusiasts alike; and,
- Construction work is expected to begin on the Killarney Seniors Centre (Southeast Vancouver) (with completion in 2018). Other asset renewal programs including a fitness centre renewal program and key facility projects are also scheduled. Other major park development projects are described in the Notable Capital Projects section of this document.

Looking Ahead, 2017-2020

The Parks and Recreation Services Master Plan will determine key directions for service delivery, facility renewal and new indoor and outdoor facility needs. In the meantime, a number of carry-forward and strategic projects have already been identified for 2017-2020 — many already noted in the 2015-2018 Capital Plan, including:

- To further enhance participation and active living, Recreation teams will work to deliver on the Healthy City Strategy of increasing the physical activity levels of Vancouver residents to a targeted increase of 20% by 2025;
- Accessibility and inclusivity will improve by increasing the physical accessibility of Park Board facilities and parks (including signage, equipment, facility design and accessible pathways) to meet leading practices;
- To remain a Leader in Greening, the Park Board will continue increasing tree-planting on public land and through private property planting programs, with planned numbers averaging 20,000 tree plantings per year;
- Effective partnerships will be formed in the area of volunteer recruitment, engagement and coordination for parks and recreation facilities citywide through the implementation of a volunteer enterprise management system;
- Developing operating protocols to enhance positive and consistent relationships with partners, including Community Centre Associations, are the logical next step following completion of renewed Joint Operating Agreements;
- Working on indoor and outdoor pool areas is a priority, especially with the YMCA in central Vancouver;
- Finalizing a phasing and funding strategy for the Marpole-Oakridge community facility, followed by detailed design and construction; and,

- Continuing to plan and develop community centre renewals, engage residents on a new destination waterfront park located in Northeast False Creek and begin planning for parks along the Cambie Corridor (including Queen Elizabeth Park).

Priority outcomes of the Parks and Recreation Services Master Plan will flow into work plans. The following development projects are also anticipated for the 2017-2020 period:

- For continuous quality improvement, a $5.0 million upgrade of the Stanley Park Seawall (including a $500,000 Infrastructure Canada grant from the federal government) is scheduled, as well as an assessment of shorelines and waterfront infrastructure related to sea level rise and climate change (in collaboration with the City's Engineering Services department);
- A synthetic turf allocation strategy will be introduced;
- Opening of the new downtown park at Smithe and Richards streets; beginning construction on a new waterfront park on the Fraser River in the East Fraser Lands to connect thousands of residents to green space where none previously existed; and taking steps toward realizing access to green space targets in the Greenest City Action Plan;
- Engaging residents on a new destination waterfront park in Northeast False Creek;
- Two projects in Stanley Park, including the first phase to enhance Beaver Lake and completing cycling paths to align with the Stanley Park Cycling Plan; and,
- Renewing older parks and introducing and replacing activity features in City parks (with direction from the Services Plan), including: building a new track and field facility, outdoor aquatics amenities, a new synthetic turf field, and renovating grass playfields — all priorities; renewing neighbourhood parks and playgrounds; creating a new park east of the Creekside Community Centre in the Olympic Village; and planning for changes at the Sunset Park and Sunset Service Yard.

DEPARTMENT SERVICE METRICS

Parks and Green Spaces

The Urban Forest Strategy is an integral part of meeting the challenge of the Greenest City goals.

The Park Board foresees modest land inventory growth (compared to overall inventory) with strategic park land acquisitions along the waterfront and in areas with increasing density (False Creek, East Fraser Lands) with a major acquisition targeted for Marpole on the Fraser River.

In 2013, the Park Board identified canopy coverage as the metric to be used to calculate the amount of benefit provided by trees that comprise an urban forest. Canopy cover is the area of land covered by tree canopies (or leaves) as viewed from above. Canopy coverage for 2016 is estimated to be 18%, down from 22% a decade ago.

The Park Board continues beautifying parks and green spaces with ornamental plantings as well as the planting of additional trees. The forecast for 2016 is to plant approximately 1,500 street trees, 3,500 park trees, and 9,000 trees on private property, for an approximate total of 14,000 trees planted. In 2017, 17,000 total trees are planned – with the total increasing annually through 2020.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Parks and Green Spaces	Quantity	Hectares of park space	1,304.8	1,305.0	1,305.6	1,305.6	1,306.1
		New fruit trees planted	42	250	798	2,415	2,000
		Non-fruit trees planted	3,487	6,136	6,813	9,545	10,000
		Trees Maintained	19,689	19,934	34,114	34,200	34,300
		# of annuals planted	565,400	526,000	515,000	515,000	515,000
	Quality	% of canopy coverage	NDA	17%	18%	18%	18.1%
		% of land base within 5 minutes walk to green space	92.6%	92.6%	92.7%	92.7%	92.7%

There are some changes to metrics reporting for the Park Board:

- The total hectares of park space now also include areas of turf maintained. This change better reflects the complexity of the Park Board's operational areas. Additional tree information and biodiversity factors such as the total area of forest and reforested areas are also included; and,
- For 2015, the metric for the percentage of the land base within a five-minute walk to green space will be reported consistently as in former years. Going forward into 2017, this metric will be reported as the percentage of Vancouver's population within a five-minute walk to green space; this will more accurately reflect the number of people benefiting from this city livability goal.

Access to Recreation Facilities

The Park Board's OneCard, accepted at Park Board arenas, pools and participating community and fitness centres, continued to grow. OneCard signups increased from 100,000 in 2013 to more than 200,000 users as of August 30, 2015.

More than 17,500 Leisure Access Cards were issued in 2015, with 18,000 projected for 2016 – representing more than 13% of Vancouver's eligible low-income population that benefit from the Leisure Access Program (LAP). Significant process improvements were made to reorganize resources and implement the new recreation program registration system, making access and applications easier for patrons and resulting in continued increases in the number of passes issued.

Available hours for facility use in pools and arenas remain stable. Access to outdoor sports facilities will stabilize with the completion of two new artificial turf fields at Empire Stadium in 2015, adding an additional 1,000 hours per field. The addition of one new artificial turf field and the track and field facility before 2018 will result in increased facility use as well as permits issued.

The popularity of indoor and outdoor swimming continues, with expected stabilized participation in 2016. It is expected skating participation will continue to grow incrementally while ice rink use by rental groups increases due to demand and improved business processes.

Implementation of ActiveNet, a new online registration portal, resulted in close to 70,000 successful registrations across 24 community centres, nine pools and eight arenas. The new technology will enable better metric and participation reporting; it is expected that adjustments to service metrics in 2016 will be made based on the availability of new data. With the introduction of the new system, there has been a subsequent increase in online registration over in-person registration; global registration is also now available.

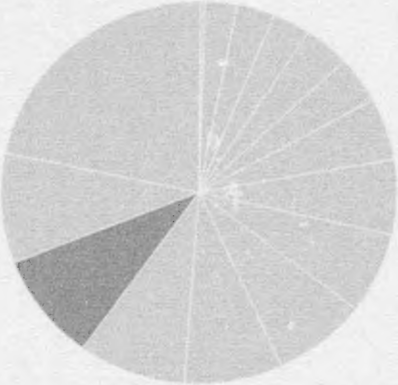
Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Access to Recreation Facilities	Quantity	# of Low-Income Access Cards issued (LAC)	12,378	12,149	14,077	16,655	17,500
		% of LAC-eligible residents in Vancouver (LICO)	8%	8%	8.5%	13.8%	14.0%
		# of swim participants / attendees	2,678,220	2,803,591	2,842,622	2,829,644	2,880,000
		LAC swim usage	412,355	443,256	433,298	394,875	402,971
		% of total swims by LAC holders	15%	17%	15%	13.95%	13.99%
		# of facility hours available for indoor pools	39,720	39,720	39,720	39,720	39,720
		# of participants for arenas (total attendance, excluding rentals)	289,958	288,280	273,016	282,214	283,000
		LAC usage for arenas	9,904	9,057	8,562	9,000	9,000
		% of total skates by LAC holders	3%	3%	3%	3.19%	3.18%
		# of facility hours available for arenas (incl. dry floor)	48,550	45,180	47,572	47,000	47,000
		# of hours of outdoors sport facility usage	144,888	138,748	110,798	113,185	115,000
		# of outdoor sport facility permits	1,395	1,449	1,475	1,550	1600
		# of swims per capita - indoor pools (admissions, lessons, rentals)	4.44	4.64	4.71	4.64	4.72
	Quality	# of lifeguard interventions per 1,000 swims	7.8	9.0	11.1	11.0	11
		Average annual utilization rate (usage per hour for rinks)	NDA	59%	60%	60%	62%
		# of lifeguard interventions at indoor pools	209	251	257	264	260

Recreation Programming

As the Park Board continues to promote the network of facilities and programming opportunities, add value to OneCard and support system enhancements through ActiveNet, it is anticipated that the number of recreation classes at community centres, enrollments in community centre and learn-to-swim programs, and the number of swims per capita in indoor pools will all see slight increases in 2016. Significant increases will result as facility additions or renewals are made.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Recreation Programming	Quantity	# of recreation classes offered across network of community centres	NDA	22,098	23,361	21,966	22,500
		average # of recreation classes offered per community centre	NDA	960	1,015	955	978
		Average # of registrants per community centre class	NDA	7.84	8.6	9.5	9.3
		Registrants in community centre programs	NDA	173,297	200,922	209,278	210,000
	Quality	# of enrollments in learn-to-swim programs	49,710	52,363	46,133	45,789	46,500

2016 BUDGET



Parks and Recreation makes up 9% of the 2016 Operating Budget

Year-over-Year Budget Changes

Major Category ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)
Revenues				
Parks & Recreation program revenue				
Recreation revenue				
Admissions	8,887	9,311	424	4.8%
Programming	4,120	4,361	241	5.9%
Recreation facility rentals	3,956	4,005	49	1.2%
Other recreation revenue	598	683	85	14.3%
Subtotal Recreation revenue	**17,560**	**18,359**	**799**	**4.6%**
Golf revenue	9,148	9,323	175	1.9%
Marinas & Attractions revenue				
Marinas	3,174	3,238	63	2.0%
VanDusen Gardens	2,858	3,313	455	15.9%
Stanley Park Mini Train	1,520	1,520	-	-
Bloedel Conservatory	580	592	12	2.0%
Other attractions	89	89	-	-
Subtotal Marinas & Attractions revenue	**8,222**	**8,752**	**530**	**6.4%**
Lease & concession revenue	6,333	6,210	(123)	(1.9%)
Other Parks & Recreation revenue	434	436	3	0.6%
Total Parks & Recreation program revenue	**41,697**	**43,081**	**1,383**	**3.3%**
Total Program revenue	**41,697**	**43,081**	**1,383**	**3.3%**
Parking revenue				
Parks parking revenue	6,381	6,531	150	2.4%
Total Parking revenue	**6,381**	**6,531**	**150**	**2.4%**
Cost recoveries, grants & donations				
Parks & Recreation recoveries, grants & donations	4,372	4,284	(89)	(2.0%)
Total Cost recoveries, grants & donations	**4,372**	**4,284**	**(89)**	**(2.0%)**
Total Revenues	$ 52,450	$ 53,895	$ 1,445	2.8%
Expenditures & Transfers				
Parks & Recreation				
Recreation	46,360	46,608	248	0.5%
Park maintenance & operations	31,085	31,872	787	2.5%
Facility maintenance & corporate services	7,533	8,299	766	10.2%
Marinas & Attractions	6,815	7,096	281	4.1%
Golf	6,222	6,353	131	2.1%
Leases & concessions	2,000	2,013	13	0.7%
Shared support services	10,369	9,856	(513)	(4.9%)
Transfers to / (from) reserves & other funds	2,962	2,921	(41)	(1.4%)
Total Parks & Recreation	**113,346**	**115,018**	**1,672**	**1.5%**
Total Expenditures & Transfers	$ 113,346	$ 115,018	$ 1,672	1.5%
Net Operating Budget	$ (60,896)	$ (61,123)	$ (227)	0.4%

Note: Totals may not add due to rounding

Explanation of Changes — Revenue
As noted in the table above, the 2016 revenue budget increase is $1.4 million, or 2.8%, compared to the 2015 restated Budget.

There are two key drivers for the increase in the Park Board's revenue budget: $0.4 million from changes to fees and charges, and $1.0 million from anticipated increases in the use of City facilities and services. The increase in budgeted revenue for recreation services of $0.8 million reflects additional programming established in 2015, as well as increased attendance and participation in existing programs and rentals. Much of this increase was realized in 2015, and expected to continue throughout 2016.

Revenue from marinas and other attractions is budgeted to increase by $0.5 million. This projected increase is anticipated due to the popularity of the Festival of Lights at VanDusen Botanical Garden, as well as an inflationary increase in marina fees.

Parking revenue is budgeted to increase by $0.2 million, reflecting additional usage realized in 2015 as well as a higher-than-budgeted 2015 effect of price changes driven by market reviews of local parking rates.

Leases and concession budget decreases of $0.1 million reflect the closure of the Fish House restaurant in Stanley Park in fall 2015 and the selection of a new tenant. These decreases are offset by the 2015 annual revenue impact of volume increases from lease agreements with the Tap & Barrel at Creekside and the Cactus Club in English Bay, while golf-related increases of $0.2 million resulted from increased use in typically low-use periods. Going forward, improved awareness of available times and price discounts generated via a new golf smartphone application launched in 2015 are anticipated to drive a budgeted increase in 'rounds played.'

Explanation of Changes: Expenses
The 2016 expense budget increase is $1.7 million, or 1.5% over 2015. Key drivers for budget changes are: funding for fixed cost increases; adjustments for costs associated with increased revenue; investments in programs; productivity increases; and increased operating costs from capital projects.

Fixed cost increases for 2016 include $0.6 million for anticipated increases in building occupancy costs, corporate assessments and equipment charges.

Also, in 2016 expense budgets have been increased by $0.5 million to reflect the increased labour, supplies, commissions, bank charges and other costs directly associated with $1.4 million in increased revenue targets.

Investments for future growth and service initiatives continue, with $0.8 million budgeted to address the operating impact of previously approved capital projects, as well as $0.5 million to maintain trees planted under the Urban Forest Strategy, an increase in washroom-cleaning crews and increased tree-watering costs.

Budget increases are partially offset by ongoing productivity initiatives as the Park Board continues focusing on transforming how City parks are maintained and services provided. Examples of 2016 initiatives include gross margin improvements (a reduction in expenses supporting revenues), productivity improvements in recreation services, golf and facility maintenance, and general workforce productivity improvements (to be achieved through management of vacancies and workforce attrition).

Notable Capital Projects

The following table summarizes some of the noteworthy projects involving the Park Board and projects to begin in 2016. A complete list of all capital projects for 2016 is included in the Council Report appendixes.

Project Name ($ millions)	Total Project Budget	Forecast 2015 Expenditure	2016 Annual Expenditure Budget	Future Years**
Southeast Vancouver (Killarney) Seniors Centre***	7.5	0.3	2.5	4.6
Britannia Community Centre Redevelopment Phase 1 - Planning***	3.0	0.1	0.5	2.4
Urban Forest: Park and Street Trees*	N/A	1.5	1.2	4.1
Sports Fields and Courts*	N/A	0.3	2.5	1.6
New Parks (incl Major Park Renewals, New Parks, Riley/Hillcrest Park Renewal)*	N/A	0.3	4.7	19.4
Neighborhood Park Renewal*	N/A	0.1	0.8	3.4

* Funding for programs approved on annual basis.

** For Programs, reflects forecast amounts for remaining years, 2017-2018, of the 4 year capital plan.

*** Included in REFM departmental budget

- **Southeast Vancouver (Killarney) Seniors Centre** — This project involves the design and construction of a new seniors' centre, an important addition to the existing Killarney Community Centre footprint.
- **Britannia Community Centre** — Renewal of the Britannia Community Centre will span 10 years. Planning work initiated in 2015 continues through 2016 as partnership agreements, including agreements with the Vancouver School Board, move forward. Current and proposed co-location of the community centre, ice rink, swimming pool, family place, library, elementary and secondary school will provide services at the heart of the Grandview-Woodland community, and provide amenities for the Downtown Eastside, Strathcona, and Hastings-Sunrise communities. The outcome of the Grandview-Woodland Community Plan will enhance direction for the new facility's design and program, with replacement of the swimming pool having been identified as the first exciting phase of this multi-year project.

- **Urban forest, park and street trees** — The Park Board continues increasing the urban forest canopy through tree-planting programs in parks, on streets and private property partnership programs. As mentioned previously, 14,000 trees will be planted in 2016. This work builds on the Greenest City 2020 Action Plan's Access to Nature goal of planting 150,000 new trees by 2020.
- **Sport field and courts** — Projects to be initiated and/or completed in 2016 include: replacing synthetic turf surfaces at Oak Meadows (Eric Hamber Secondary School) and West Point Grey parks.
- **New parks** — Consistent with plans to provide park space for an increasing number of downtown residents, Park Board staff will finalize plans (formed with input from a Park Focus Group and residents) for a new park at Richards and Smithe Streets, as well as the opening of a new park at 17th Avenue and Yukon Street (which will fill a much-needed gap in access to green space within walking distance of the Mount Pleasant neighbourhood). Park Board staff will also initiate plans in 2016 for new parks in the East Fraser Lands. In 2016, the most significant investment in new parks involves completing the greening of Hillcrest and Riley parks — which includes transforming the grounds of the former Riley Park Community Centre, Percy Norman Pool, and the Vancouver Curling Club. It also includes: the challenger baseball diamond and a new synthetic turf youth soccer field at Hillcrest Park; parking lot improvements; an events lawn and plaza area with services for farmers' markets and local gatherings; a community garden; a natural playground for young children; pathways; integrated stormwater management; and habitat planting at Riley Park.
- **Neighbourhood park renewal** — Neighbourhood park renewal projects include designing for improvements at Sunset Park, constructing a renewed playground at Andy Livingstone Park to support the new International Village School, and accessibility improvements. Also included are funds for the planning of new park amenities at 2-3 neighbourhood parks.

Budget Trend

Major Category ($000)	2012 Approved Budget	2013 Approved Budget	2014 Approved Budget	2015 Restated Budget	2016 Proposed Budget
Revenues					
Parks & Recreation program revenue					
Recreation revenue					
Admissions	8,124	8,611	8,712	8,887	9,311
Programming	2,691	3,621	3,624	4,120	4,361
Recreation facility rentals	2,893	3,571	3,573	3,956	4,005
Other recreation revenue	540	951	844	598	683
Subtotal Recreation revenue	**14,248**	**16,755**	**16,753**	**17,560**	**18,359**
Golf revenue	11,606	8,806	9,056	9,148	9,323
Marinas & Attractions revenue					
Marinas	2,642	3,145	3,145	3,174	3,238
VanDusen Gardens	1,612	2,212	2,437	2,858	3,313
Stanley Park Mini Train	1,078	1,261	1,361	1,520	1,520
Bloedel Conservatory	802	540	540	580	592
Other attractions	78	78	78	89	89
Subtotal Marinas & Attractions revenue	**6,211**	**7,236**	**7,561**	**8,222**	**8,752**
Lease & concession revenue	5,539	5,752	6,025	6,333	6,210
Other Parks & Recreation revenue	784	357	357	434	436
Total Parks & Recreation program revenue	**38,388**	**38,905**	**39,752**	**41,697**	**43,081**
Total Program revenue	**38,388**	**38,905**	**39,752**	**41,697**	**43,081**
Parking revenue					
Parks parking revenue	4,624	5,237	5,925	6,381	6,531
Total Parking revenue	**4,624**	**5,237**	**5,925**	**6,381**	**6,531**
Cost recoveries, grants & donations					
Parks & Recreation recoveries, grants & donations	4,264	3,821	3,891	4,372	4,284
Total Cost recoveries, grants & donations	**4,264**	**3,821**	**3,891**	**4,372**	**4,284**
Total Revenues	$ 47,276	$ 47,964	$ 49,568	$ 52,450	$ 53,895
Expenditures & Transfers					
Parks & Recreation					
Recreation	40,332	43,142	44,476	46,360	46,608
Park maintenance & operations	22,333	24,059	24,269	31,085	31,872
Facility maintenance & corporate services	20,307	20,625	20,350	7,533	8,299
Marinas & Attractions	6,126	6,507	6,730	6,815	7,096
Golf	8,084	6,457	6,421	6,222	6,353
Leases & concessions	2,834	2,313	2,413	2,000	2,013
Shared support services	8	8	8	10,369	9,856
Transfers to / (from) reserves & other funds	3,188	2,422	2,903	2,962	2,921
Total Parks & Recreation	103,212	105,533	107,570	113,346	115,018
Total Expenditures & Transfers	$ 103,212	$ 105,533	$ 107,570	$ 113,346	$ 115,018
Net Operating Budget	$ (55,936)	$ (57,570)	$ (58,002)	$ (60,896)	$ (61,123)

Capital Budget ($ million)	$ 18.2	$ 18.2	$ 25.2	$ 15.6	$ 19.0

Note: Totals may not add due to rounding

Employee Trend Table

Parks and Recreation	2011	2012	2013	2014	2015F
Regular Full-Time Staff	632.8	604.8	584.8	564.8	551.3
All Staff (including Part-time, Temporary and Auxiliary) Full-Time Equivalents*	1,080.1	1,035.7	1,034.1	1,006.5	1,004.0

*excluding overtime

Total straight-time hours includes hours worked by all regular, temporary and auxiliary employees.

Full-time equivalent (FTE) reductions are the result of attrition and the transfer of work and associated staff to support citywide shared service initiatives.

ENGINEERING SERVICES

The Engineering Services department is responsible for policy, management, design, delivery, and construction associated with infrastructure and services on and under the street right-of-way. The department handles the City's four utilities and public works. Engineering Services has also established a Project and Quality Management branch that plays an integrative role across the department.

Through its four utilities, Engineering Services provides Vancouver with water for drinking and fire protection; safe removal of wastewater for treatment; removal of rainwater to prevent floods; efficient collection of solid waste; and a low-carbon energy supply to the Southeast False Creek neighbourhood. Engineering's public works functions include streets and transportation design, construction and maintenance; as well as the regulation of activities on streets.

Key service areas are:

- Project and Quality Management;
- Waterworks;
- Sewers and Stormwater;
- Waste Management and Resource Recovery (Solid Waste);
- Neighbourhood Energy; and,
- Public Works (Transportation Planning, Parking, Streets Infrastructure, Street Activities and Street Cleaning).

ENGINEERING — PROJECT AND QUALITY MANAGEMENT

The Project and Quality Management division has overall responsibility for enhancing management and coordination of capital projects undertaken by Engineering Services. Its primary objectives are maximizing efficiencies and minimizing disruptive impacts on the public and other stakeholders.

KEY SERVICES DELIVERED

Project Management Office and Coordination — Plan, execute and oversee management and coordination of Engineering Services' major capital projects

MAJOR ACCOMPLISHMENTS IN 2015

In 2015, the Project and Quality Management division was established. Already, it has improved the department's capital project management and coordination by developing a new Project Management Framework, providing planning, execution and coordination support through dedicated project managers and staff. The division has also begun developing standard methodologies to achieve certification of an endorsed quality management system for Engineering Services by the Association of Professional Engineers and Geoscientists of British Columbia (APEGBC).

PLANS FOR 2016

The Project and Quality Management Division will continue developing improved project management processes and coordination. Specific projects include:

- Managing Engineering Services' capital projects, including improvements to Burrard Street and the Burrard Bridge, Point Grey Road, SW Marine Drive, and the Georgia and Dunsmuir viaducts replacement project;
- Finalizing development of the new Project Management Framework for Engineering Services;
- Achieving Organizational Quality Management Certification through the Association of Professional Engineers and Geoscientists of British Columbia; and,
- Developing a new and improved interface to coordinate internal and external demands for street use (construction, special events and developments).

LOOKING AHEAD, 2017-2020

Looking forward to 2017-2020, the new division will advance Engineering Services' project management practices by implementing and overseeing the new Project Management Framework, improving project oversight and management and leveraging relationships internally and externally to maximize project performance.

ENGINEERING — WATERWORKS

The waterworks utility provides a reliable, accessible and sustainable supply of high-quality water. The utility also strives to use potable water efficiently, and to ensure the City is prepared for emergencies.

KEY SERVICES DELIVERED

Water distribution service — Provides clean water to businesses, residents and communities

MAJOR ACCOMPLISHMENTS IN 2015

In 2015, the waterworks utility continued making progress to improve water system reliability by: a) replacing and upgrading deteriorating infrastructure, b) improving public access to water through the installation of water-filling stations and fountains and c) encouraging water conservation.

An uncharacteristically warm winter and dry spring and summer necessitated an expanded effort to engage citizens in water conservation and increase enforcement to promote compliance.

Infrastructure and resiliency

By year-end 2015, 6.2 kilometres of the City's 1,470 kilometres of water mains will have been replaced — part of a long-term strategy to maintain the overall water system condition and manage the frequency and impact of water leaks and breaks.

In 2015, major projects included water main installations on Pender, McGill and Hemlock streets. The project on Pender, between Gore and Carrall streets, saw 0.6 kilometres of large diameter transmission water main installed. The McGill and Hemlock projects resulted in 0.79 kilometres of new distribution main on major arterial roads. The projects were coordinated with sewer work and street paving and formally managed through the new Project Management Framework. An additional 1.5 kilometres of water main was replaced by outside forces in a residential neighbourhood; this project was part of a City strategy that regularly compares industry construction methods and practices with those employed by City crews.

To support ongoing efforts to increase the seismic resiliency of Vancouver's water system, the City installed 525 metres of Japanese-designed Earthquake Resistant Ductile Iron Pipe (ERDIP) on Jackson Street in the Strathcona neighbourhood. An analysis evaluating future opportunities to use this pipe technology, as well as alternatives from local manufacturers, where it will provide sufficient value to offset the material's price premium, is underway.

The City is committed to exploring alternative technologies to reduce construction impact and cost. In 2015, 700 metres of cast-iron water main from the 1940's was lined with a spray-on semi-structural coating — expected to extend the water main's life by approximately 50 years (approximately 50% of its normal lifespan). Where technically feasible and cost-effective, rehabilitation techniques will be explored as an alternative to traditional open-trench construction.

Water quality and public access to water
In 2015, the City continued its efforts to provide access to potable drinking water to protect public health during extreme heat and to decrease use of disposable plastic water bottles. Three new water fountains were installed — including two leveraged from adjacent development, increasing the City's total public fountain count to 233.

As part of the City's Greenest City Action Plan goal to provide the world's best water quality to Vancouver residents, in 2015 a detailed analysis was conducted in two residential neighbourhoods that experienced seasonal fluctuations in water quality. Operational changes to improve water circulation in those neighbourhoods eliminated all concerns, resulting in water quality comparable with the rest of the water system.

Water conservation and consumption trends — drought conditions
In 2015, atypical weather was experienced in Metro Vancouver. The mild winter, record dry spring and unseasonably warm May, June and July resulted in a low snow pack and high regional water demand. The combined effect resulted in source lakes being drawn down much earlier and faster than usual. In response, Metro Vancouver escalated the water restriction level to Stage 2 on July 3, elevating to Stage 3 on July 20. As part of a Regional Water Shortage Response Plan, municipalities are responsible for encouraging and enforcing compliance with restrictions.

The water utility led corporate-wide efforts to implement Stage 3 restrictions, working with Corporate Communications, Digital Strategy, 3-1-1, Real Estate and Facilities Management, and the Park Board to deliver the following initiatives:

- Communications —
    - An extensive social media campaign;
    - Advertisements via traditional media, including radio and local newspapers;
    - Signage at civic facilities and at civic water features that were turned off or modified in support of the restrictions; and,
    - Postering at Park Board facilities.
- Citizen response — To handle a significant increase in public interactions of more than 1,200%, initiatives included:
    - Updating 3-1-1 scripts to address the increased call volume including on-hold messaging and a special shortcut for reporting violations;
    - Adding functionality to the City's VanConnect mobile application; and,
    - Updating the vancouver.ca website, including developing and posting a web form where violations could be reported.
- Corporate response to demonstrate leadership — At each level of escalating restrictions, corporate water use at City facilities and parks was compliant through actions including: shutting off fountains; eliminating water top-up to natural features; installing push-button controls at spray parks; reviewing all irrigation practices across City and Park Board facilities; and reducing all washing, except where/as related to

public health and safety. Additionally, non-potable supplies were used to irrigate trees and street cleaning (maintained for health-related purposes).

- Enforcement – The number of bylaw enforcement staff was increased to address the significant number of reported violations, aided by geographic and time analysis of reported violations. In 2015, 450 tickets and 7,000 warning letters were issued – approximately 10 times the volume of previous years.

Consumption trend

The dry and hot May, June and July caused a spike in water consumption driven by uses such as lawn and garden irrigation. Stage 2 and 3 restrictions banned or restricted most outdoor water uses while reducing regional demand to near-winter levels. In the months leading up to the restrictions, city consumption was trending up to 24% higher than the same month in 2014, however, the months following the invocation of the water restrictions were much lower than 2014. Overall, the City consumed 2% more water compared to 2014, working out to 500 litres per capita per day. This experience of increased consumption in 2015 demonstrates how water consumption is affected by weather, despite decades of declining water use.

Water conservation program

The City's Greenest City Action Plan water consumption goal is to reduce per-capita water use by 33% by 2020. In 2015, a suite of conservation programs dedicated to this goal were completed. They included:

- Continuing to deliver education about lawn sprinkling and a ticketing/enforcement program;
- Introducing a residential laundry washing machine rebate program, in partnership with FortisBC and BC Hydro;
- Retrofitting high-efficiency toilets in facilities operated by participants in the City's Green Landlord Pilot program (multi-family residential);
- Water audits and fixture retrofits in health care and City-owned facilities;
- A Prevalence Study and Phase Out Strategy Development (consultant) for Single-Pass Cooling and Refrigeration Systems (which remove heat by using drinking water and immediately disposing of the water into the sewer); and,
- Truckload promotion of rain barrel sales in partnership with other municipalities.

In addition to these water conservation programs, the City continued working closely with the Greenest City Clean Water External Advisory committee to develop an enhanced water conservation program to meet the City's 2020 target.

PLANS FOR 2016

Infrastructure and resiliency

The City will continue addressing aging infrastructure in 2016, with plans to replace 850 metres of transmission main and six kilometres of distribution main. This represents 0.53% of city water mains and is in accordance with the utility's Capital Plan. A number of initiatives will also be undertaken to increase the reliability and/or resiliency of the city's water system, including:

- Continuing to replace a key east-west transmission main on Pender Street, from Carrall to Seymour streets, to increase system resiliency and reliability to the Downtown core;
- Completing a water main replacement project on Burrard Street between 1st Avenue and Broadway, coordinating with street paving and sewer separation;
- Completing a water main replacement project on the Musqueam Lease Lands to replace 1.5 kilometres of asbestos cement water main with a recent history of failure. This project will completely eliminate asbestos cement pipe from Vancouver's water main inventory; and,
- Developing a long-term financial and implementation plan for a network of strengthened pipes in the city, designed to be more resilient to earthquake-loading.

Public access to water
In 2016, the utility will continue working with representatives from the Extreme Heat Committee (the Vancouver Police Department, Emergency Management, and Social Planning) to place three new fountains or bottle-filling stations.

To determine the feasibility and reliability of such sources for emergency supply, a literature review on existing and potential groundwater sources will be conducted.

Water conservation and consumption
In 2016, subject to Council approval, water conservation efforts will be expanded across all customer sectors and City facilities and parks. These new initiatives and programs will be supported by a strong communications plan that will be developed with Metro Vancouver to reinforce water-efficient behaviour.

Programs under consideration include:

- Citywide –
    - Citywide water audits and fixture retrofits, including phasing out once-through cooling systems and providing retrofit incentives;
    - Working with emerging industries (such as breweries) to develop best management practices including dedicated account managers/representatives; and,
    - Evaluating the effectiveness of the current metering policy.
- Corporate –
    - Adopting a 33% reduction target across all City departments and parks and beginning retrofit projects; and,
    - Expanding proactive leak detection to reduce water loss from City and private infrastructure.

LOOKING AHEAD, 2017-2020

Across a number of areas, the water utility has identified several priority projects for 2017-2020 including:

- **Infrastructure and resiliency —**
  - Two projects that will result in new, reliable water mains to convey large volumes of water and will use a joint system providing greater resiliency to seismic loading: a) replacing the aging transmission main on Arbutus Street between 33rd and 37th avenues as part of a multi-branch infrastructure renewal project, and b) installing a new transmission main on Heather Street between 33rd and 41st avenues to facilitate water supply to the redevelopment of the Oakridge neighbourhood
  - Replacing distribution mains in Gastown, along Boundary Road, and along Knight Street. These projects will be coordinated with sewer, transportation and street work to minimize duration and public impact
  - Facilitating between Metro Vancouver and the City during design and construction of Metro's proposed water main replacement project along 37th Avenue
  - Exploring new technologies and materials to rehabilitate water mains. Pilot projects have been completed comparing the cost and impact of new technologies to traditional trenching and replacement
  - Continuing to implement a seismically-harden water pipe network by strategically selecting water mains for strengthening
- **Access to water and emergency response** — Beyond realizing further opportunities to install fountains and bottle-filling stations, the utility will complete and update the Water Utility Emergency Response Plan. This will include the provision of drinking water for the period immediately following an emergency and may include developing alternate sources, such as groundwater (which would include a treatment and distribution process).
- **Water conservation** — Water conservation efforts will focus on conservation program delivery, monitoring effectiveness and adjusting work plans as required to meet the City's water reduction target of 33% by 2020 over 2006 levels.

Being efficient with the current levels of water supply has many benefits. By achieving a further 17% reduction in per-capita water use, and assuming other regional municipalities follow suit, the City will be able to live within its current means and significantly delay or negate incurring the significant financial and ecological expenses associated with raising a dam or developing another lake source.

Achieving the Greenest City Action Plan water reduction goal will align residential water consumption with other leading North American cities. As such, it's a realistic goal — one that will be largely determined by the level of uptake for various incentive programs and acceptance of water-efficient behaviours by Vancouverites over this timeframe.

From 2017-2020, there will be a substantial effort to drive public awareness, market water efficiency programs, work with all customer sectors (residents, industry, commerce), adopt best management practices within the water system, and closely monitor citywide water use to identify further opportunities. This may include scaling program offerings and/or implementing new metering and pricing policies.

DEPARTMENT SERVICE METRICS

Most water utility metrics were stable in 2015 and on track in relation to targets. For example, infrastructure replacement was as-planned and break rates were stable. Water quality also remained excellent, with occasional turbidity events becoming even less frequent since Metro Vancouver began filtering Capilano source water in 2015 (Seymour water was already filtered).

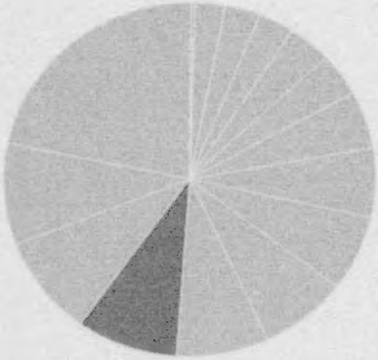
As discussed above, only water consumption was trending away from our Greenest City target to reduce total water consumed per capita by 33% by 2020 (compared to 2006). In 2015, residential and total consumption is projected to be approximately 2% greater than in 2014. This is attributed to local drought conditions and hot weather in May through August, which drove very significant consumption increases (up to 24%) in May, June and early July. With the implementation of Stage 2 and 3 water restrictions in July and August, consumption dropped almost to winter levels, substantially offsetting the early summer increases and resulting in a total annual increase of about 2%. This overall increase was comparable to that experienced in Metro Vancouver's water system overall.

The 2015 water consumption experience will inform the water conservation program from here on forward. The 2016-2020 water conservation program will be brought to Council as part of the upcoming Greenest City Action Plan Refresh in November.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Water	Quantity	# of Water Connections Replaced	1,930	1,673	1,558	1,436	1,500
		km of Water Pipe Replaced *	12.5	5.3	8.9	6.3	6.2
	Quality	# of main breaks	65	48	68	71	67
		# of Service Connection Breaks	599	617	437	539	550
		% of samples with turbidity within Health Canada acceptable range	98.66%	98.68%	98.60%	99.40%	99.50%
		Water Consumed Per Capita (litres) - Residential	283	286	262	278	286
		Water Consumed Per Capita (litres) - Total	486	491	471	490	500

(*) kilometres of water pipe replaced also includes rehabilitated (lined) mains

2016 BUDGET



Water makes up 9% of the 2016 Operating Budget

The cost of water purchased from Metro Vancouver comprises 64% of the annual operating budget of the waterworks utility. This budget is based on the estimated volume of water to be used by Vancouver residents and businesses and the price Metro Vancouver sets per unit (cubic metre).

The water capital program is partially funded through debentures. For the past four years, and continuing in 2016, a portion of the capital program has been funded directly from utility fees – part of a long-term strategy to reduce debt costs.

Costs relating to water operations are associated with cleaning, repairing, inspecting and managing water infrastructure.

Year-over-Year Budget Changes

Major Category ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)
Revenues				
Water revenue				
Metered water charges	57,526	57,298	(228)	(0.4%)
Flat rate water charges	44,878	46,909	2,032	4.5%
Meter charges	3,700	3,774	74	2.0%
Fire line charges	2,700	2,754	54	2.0%
Other water revenue	514	579	65	12.6%
Total Water revenue	**109,317**	**111,314**	**1,996**	**1.8%**
Total Revenues	$ 109,317	$ 111,314	$ 1,996	1.8%
Expenditures & Transfers				
Water				
Water purchases (Metro)	71,484	71,913	429	0.6%
Water operations	11,040	11,848	808	7.3%
Capital program & other transfers				
Debt service charges	17,517	16,203	(1,314)	(7.5%)
Pay-as-you-go funding	10,000	10,200	200	2.0%
Rate stabilization & other reserve transfers	(2,695)	(828)	1,867	(69.3%)
Subtotal Capital program & other transfers	**24,822**	**25,575**	**753**	**3.0%**
Shared support services	1,972	1,978	6	0.3%
Total Water	**109,317**	**111,314**	**1,996**	**1.8%**
Total Expenditures & Transfers	$ 109,317	$ 111,314	$ 1,996	1.8%
Net Operating Budget	$ 0	$ 0	-	-

Note: Totals may not add due to rounding

Explanation of Changes — Revenue

For both metered customers and flat-fee single-family dwellings, a 4.2% increase is recommended for 2016. As a result, water rates for single-family dwellings are projected to be $592 (versus $568 for 2015). Since 2012, all new single-family dwellings must be metered and no longer pay the flat fee. The 2016 budget for flat-rate revenues reflects the 4.2% rate increase and the realignment of flat-fee revenue to the actual distribution of flat-fee and metered customers offset by the decline in the number of customers paying the flat fee. Metered-rate revenues decreased due to the realignment between flat fee and metered revenue and a decrease in water volume estimates for 2016 – particularly in the non-residential sector.

Also recommended are inflationary increases of 2% for fire line charges and meter service charges. The total net change in the budget for meter service charges and fire line charges relates to an increase in the number of accounts over the last several years.

Explanation of Changes — Expenditures and Transfers

The increase for the 2016 water purchase budget is $0.4 million, of which a $1.5 million increase is due to a Metro Vancouver price increase of 1.9% offset by a $1.1 million decrease due to volume. Costs in waterworks operations have increased by 7.3% due largely to an investment in water conservation programs working toward Greenest City 2020 Action Plan water consumption targets, as well as increases in expenses including insurance and materials. In 2012, the waterworks utility began paying a portion of its annual capital program from utility fees; as a result, debt service charges are decreasing. The plan is to increase the pay-as-you-go contribution until all new capital expenditures are covered through current revenues; ultimately, this will eliminate the debt interest expense. In 2016, City staff recommended a modest increase in pay-as-you-go contribution from $10.0 million to $10.2 million to fund expanded water conservation efforts.

Notable Capital Projects

The following table summarizes noteworthy projects involving the waterworks utility, or that will begin in 2016. A complete list of all capital projects for 2016 is included in the Council Report Appendixes.

Project Name ($ millions)	Total Project Budget	Forecast 2015 Expenditure	2016 Annual Expenditure Budget	Future Years**
Water Distribution Main Replacement Program*	N/A	6.8	7.0	17.0
Water Transmission Main Replacement Program*	N/A	3.2	3.0	2.0

* Funding for programs approved on annual basis.

** For Programs, reflects forecast amounts for remaining years, 2017-2018, of the 4 year capital plan.

With more than 1,470 kilometres of water mains and connections in Vancouver, the water utility's ongoing, aging infrastructure replacement program will see 850 metres of transmission main and six kilometres of distribution replaced or rehabilitated in 2016.

Budget Trend

Major Category ($000)	2012 Approved Budget	2013 Approved Budget	2014 Approved Budget	2015 Restated Budget	2016 Proposed Budget
Revenues					
Water revenue					
Metered water charges	54,300	52,117	51,855	57,526	57,298
Flat rate water charges	43,340	44,606	45,591	44,878	46,909
Meter charges	2,450	2,499	3,504	3,700	3,774
Fire line charges	3,367	3,435	2,549	2,700	2,754
Other water revenue	504	514	514	514	579
Total Water revenue	**103,961**	**103,170**	**104,012**	**109,317**	**111,314**
Total Revenues	$ 103,961	$ 103,170	$ 104,012	$ 109,317	$ 111,314
Expenditures & Transfers					
Water					
Water purchases (Metro)	68,770	65,989	66,608	71,484	71,913
Water operations	11,404	11,807	11,818	11,040	11,848
Capital program & other transfers					
Debt service charges	19,665	19,423	18,937	17,517	16,203
Pay-as-you-go funding	-	7,500	7,500	10,000	10,200
Rate stabilization & other reserve transfers	3,396	(2,275)	(1,583)	(2,695)	(828)
Subtotal Capital program & other transfers	**23,060**	**24,648**	**24,855**	**24,822**	**25,575**
Shared support services	727	727	731	1,972	1,978
Total Water	**103,961**	**103,170**	**104,012**	**109,317**	**111,314**
Total Expenditures & Transfers	$ 103,961	$ 103,170	$ 104,012	$ 109,317	$ 111,314
Net Operating Budget	$ (0)	-	$ 0	$ 0	$ 0
Capital Budget ($ million)	$ 14.8	$ 16.5	$ 14.4	$ 13.7	$ 11.8

Note: Totals may not add due to rounding

From 2012 to 2014, key drivers for the waterworks utility have been: a) a decline in the amount of water consumed, b) the increasing cost of water purchased from Metro Vancouver and c) the continued decrease in debt costs as the City moves to pay-as-you-go. In 2015, staff increased the estimate for water purchased based on actual consumption in 2014. Moving forward, water consumption is projected to decrease by 1.5% which is largely offset by the increase in the unit cost of water from Metro Vancouver.

Employee Trend Table

Engineering Utilities Water	2011	2012	2013	2014	2015F
Regular Full-Time Staff	166.0	159.0	158.0	158.0	150.7
All Staff (including Part-time, Temporary and Auxiliary) Full-Time Equivalents*	170.4	162.6	162.6	165.0	162.7

*excluding overtime

The projected decrease in staffing is due to vacancies and reduced temporary staffing levels resulting from the fluctuating needs of the outside workforce.

ENGINEERING – SEWERS AND STORMWATER

The sewers and stormwater utility creates and maintains sewer and rainwater systems that protect public health and property, harmonize with the natural environment and optimize value for the community.

KEY SERVICES DELIVERED

Sewer Service – Safely remove wastewater and stormwater to protect public health, property and the environment

MAJOR ACCOMPLISHMENTS IN 2015

As mandated by the regional Liquid Waste Management Plan (LWMP), the City is working to eliminate combined sewer overflow by 2050 through a sewer separation program, and by supporting programs such as stormwater management. This major capital program replaces combined sanitary and storm sewers at or near the end of their service life with separated sewers (storm and sanitary) with significantly greater capacity to handle rain events – providing environmental protection and flood prevention.

In 2015, the sewers utility:

- Completed 7.1 kilometres of sewer separation and replacement and issued a two-kilometre construction tender for delivery in 2016. Major trunk sewers were constructed on Macdonald, Hemlock, Alma, and Lanark streets, as well as multi-branch installations on Hemlock Street and King Edward Avenue as part of coordinated projects that also saw water mains replaced and streets repaved. Trunk sewers are the main arteries of the City's sewer network; they collect flow from branch sewers, while branch sewers collect flow from homes and businesses for discharge to trunk sewers. Innovative trenchless delivery methods helped minimize the impacts to a City park in addition to limiting traffic disruptions along Granville Street and in the Downtown core;
- Issued 1,200 permits for sewer and water connections to new homes and renovated buildings, which included separation of private property connections and installation of water meters. This is consistent with Vancouver's level of construction and development;
- As part of the ongoing replacement of aging pump stations, the City completed upgrading an outdated sewage pump station located at Skeena Street and Cornett Road. The City also completed a feasibility study to evaluate replacing or abandoning options for an outdated sewage pump station located at East 7th Avenue and Glen Street. In times of mechanical problems and power outages, pump station upgrades protect and strengthen the sewer utility network by reducing the risk of combined sewer overflows into receiving bodies, including city streams, False Creek, English Bay, and the Fraser River;
- Substantially completed a citywide Integrated Rainwater Management Plan (IRMP). It provides action items and options to best manage rainwater run-off and improve watershed water quality. The work program included internal and external stakeholder workshops, resulting in a comprehensive action plan with recommended short- and long-term priorities; and,

- Continued working towards the Musqueam Creek Integrated Stormwater Management Plan (ISMP), in partnership with the Musqueam First Nation. Technical watershed investigation, stakeholder engagement, visioning and goals and action plans were completed.

Also, extensive sewer system investigative work was performed for the Still Creek Conservancy Program, in response to Metro Vancouver reports of elevated fecal coliform counts at various locations in the Still Creek watershed. The work included manhole inspections and investigating both City and private sewer services for cross connections to improve Still Creek's water quality. Sewers, Streets and Sanitations Operations worked together to develop and implement a coordinated storm flooding management protocol for forecast and unplanned storm events. These actions are about mitigating overland flooding resulting from intense rain, falling leaves and clogged catch basins.

PLANS FOR 2016

The sewer utility plans to deliver up to 10 kilometres (0.75% of system) of sewer separation projects through a combination of internally delivered capital works and contracted construction services. Several sewer separation projects will be part of the department's 2016 coordinated Engineering Services capital projects, including projects on Burrard Street, Point Grey Road, and SW Marine Drive.

Among other 2016 initiatives:

- The Musqueam Creek ISMP will be completed. It will provide policy direction and recommended tools, for the City and Musqueam First Nation, to protect and improve stormwater discharge quality and reduce environmental impacts in this salmon-bearing stream.
- Implementation planning for the citywide IRMP and Musqueam Creek ISMP, along with a review of flood management best management practices.
- The design for replacement of the outdated Glen Drive and East 7th Avenue sewage pump station will be completed, along with the preliminary design reviews of the 49th Avenue/Dunbar Street and Jericho pump stations to replace the facilities' aging infrastructure and provide emergency backup power and bypass pumping provisions.
- The Sewer Precautionary Rodding Program provides sewer connection cleaning to homes within Vancouver that have experienced connection blockages and sewer backups. As connections age, more tree roots infiltrate and compromise those connections. The program's success has resulted in a 40% reduction in reactive blockage calls. However, due to increasing demand for precautionary maintenance, a review (to be conducted in 2016) will inform an optimized strategy for maintaining versus replacing aging sewer connections.
- The Sewer Operations Branch will continue its investigative work for the Still Creek Conservancy Program to identify and rectify sewer cross connection in the Still Creek Basin.

In 2016, Metro Vancouver's operating costs at the Iona Wastewater Treatment Plant (WWTP) will begin increasing significantly due to the transport and disposal of existing biosolid stockpiles to prepare the site for a new treatment plant. Along with existing biosolids stockpile management, Metro Vancouver charges will further increase year-over-year with the planned design, construction and operation of the new plant and subsequent decommissioning of the old facility.

LOOKING AHEAD, 2017-2020

For this period:

- The sewer separation program will continue, with planned increased separation distances of 14-16 kilometres. Work will be achieved using in-house delivery methods supplemented by contracted services;
- Up to four facilities will be replaced under the Pump Station Program, namely the Glen Drive/7th Avenue, 49th Avenue/Dunbar Street, Jericho, and Raymur/Malkin pump stations. System improvements and refurbishments are also planned at the Thornton Park and Baker pump stations;
- Work programs to deliver integrated stormwater management plans will begin and expand in each progressive year. Integrated with the stormwater management work plans, sewer system flood mitigation planning will link capital project planning and stormwater infrastructure; and,
- Water quality at recreational beaches, as well as False and Still creeks, will continue being managed through water quality working groups involving multijurisdictional stakeholders (including Vancouver Coastal Health, Transport Canada, Metro Vancouver, Park Board, and Engineering), supported by sewer utility activities to identify and rectify any system cross connections.

DEPARTMENT SERVICE METRICS

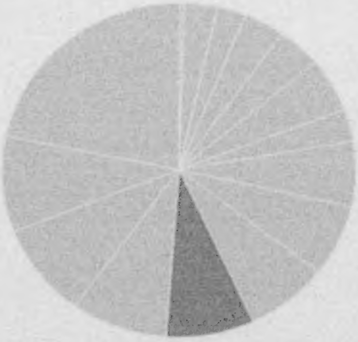
- **Sewer separation and replacement** — The City continued its sewer separation and replacement program by completing 7.1 kilometres of separated sewers in 2015 and issuing two kilometres of contracted sewer separation. As a result, about 53% of the sewer system is now separated. The City's goal is to substantially complete the separation program by 2050. In the past five years, the number of kilometres of separated sewers has declined due to the increasing number of trunk size sewer projects since 2011. These larger sewers require more time and resources to install compared to smaller branch size sewers.
- **Sewer overflows** — Combined sewer overflows are reported biennially in Metro Vancouver's Integrated Liquid Waste and Resource Management Plan. The latest reporting period was for 2013-2014. In 2015, the total volume of combined sewer overflows is anticipated to be lower than previous years due to a very long, hot, dry spring and summer, but will depend on fall and winter rainfall events.
- **Construction-related costs** — In 2015, the cost per kilometre for sewer construction was significantly higher than in previous years due to a high percentage of trunk sewer projects that involved installing large pipes in deep excavations. In 2015, trunk sewer projects accounted for approximately 45% of project lengths where in previous years they typically accounted for between 10 and 20%, resulting in a $2.87 million/kilometre weighted average cost metric for all sewer construction. Beginning in 2015, sewer separation cost metrics are now divided into two categories to reflect

the variability of construction costs associated with branch versus trunk sewers. In 2015, the cost per kilometre for branch size sewers was $2.2 million/kilometre and $3.73 million/kilometre for trunk size sewers.

- **Trouble calls** — The number of sewer connection trouble calls reflects the condition of the sewer system, irrespective of the weather. The number of sewer connection trouble calls in 2015 was similar to the count for 2014, though the number of flooding claims was slightly higher. This is primarily due to the dry spring and summer months which resulted in more root intrusion on public and private service connections. Clogged catch basins impacting overland flow during rain events were also a factor.
- **Bacteria levels** — In 2015, elevated E. coli bacteria levels were experienced in False Creek , particularly the east basin, which also experienced elevated counts prior to 2010, and in 2013 and 2014. Though elevated counts were experienced in False Creek in 2015, conditions at the city's swimming beaches improved, with no beach closures.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Sewers and Stormwater	Quantity	km of sewers separated per year	12.9	12.7	10.5	9.6	7.1
	Quality	% of system which has separated storm and sanitary sewers *	49.80%	50.80%	51.60%	52.30%	52.80%
	Result	# of sewer connection trouble calls	761	750	869	870	875
		# of home / business flooding claims received	48	38	122	90	135
		# of coliform limit exceedances (beaches and False Creek)	0	0	2	2	3
	Cost	cost per km of sewer weighted average	$2,645,000	$2,286,000	$2,382,000	$2,482,000	$2,873,000
		cost per km branch size sewer	NDA	NDA	NDA	NDA	$2,231,000
		cost per km trunk size sewer	NDA	NDA	NDA	NDA	$3,726,000

* For all years shown, the "% of system which has separated storm and sanitary sewers" metric has been adjusted based on updated GIS data.



Sewers make up 8%
of the 2016 Operating Budget

2016 BUDGET

The Metro Vancouver levy to the City covers the cost of regional collection and sewage treatment facilities. This levy, imposed on every Metro Vancouver member municipality, is a fixed amount based on the operating and capital costs in each of the region's sewage areas.

The sewers capital program has historically been funded through debentures, with annual charges to the operating budget made up of the debt-servicing costs related to several years of borrowing. The impact of capital spending is gradual and spread over several years.

A shift of $1.2 million towards the pay-as-you-go strategy began in 2015. In 2016, a decrease of $0.5 million to pay-as-you-go contributions is planned based on rate increase pressures related to the introduction of biosolids management at the Iona plant, bringing the contribution down to $0.7 million.

Year-over-Year Budget Changes

Major Category ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)
Revenues				
Sewer revenue				
Metered sewer charges	34,702	37,028	2,325	6.7%
Flat rate sewer charges	24,868	27,495	2,627	10.6%
Industrial waste water fees	732	786	54	7.4%
Other sewer revenue	917	917	-	-
Total Sewer revenue	**61,219**	**66,226**	**5,007**	**8.2%**
Total Revenues	$ 61,219	$ 66,226	$ 5,007	8.2%
Expenditures & Transfers				
Sewer				
GVS&DD levy (Metro)	53,645	57,621	3,976	7.4%
Sewer operations	8,293	8,488	195	2.3%
Capital program & other transfers				
Debt service charges	31,348	33,228	1,881	6.0%
Pay-as-you-go funding	1,200	700	(500)	(41.7%)
Rate stabilization & other reserve transfers	117	47	(69)	(59.3%)
Subtotal Capital program & other transfers	**32,664**	**33,976**	**1,312**	**4.0%**
Shared support services	1,440	1,445	5	0.4%
Total Sewer revenue	**96,042**	**101,530**	**5,488**	**5.7%**
Total Expenditures & Transfers	$ 96,042	$ 101,530	$ 5,488	5.7%
Net Operating Budget	$ (34,823)	$ (35,304)	$ (481)	1.4%

Note: Totals may not add due to rounding

Explanation of Changes — Revenue

A 9.9% increase is recommended for both metered customers and flat-fee single-family dwellings. As a result, sewer rates for single-family dwellings are $345 versus $314 in 2015. The change in budget from 2015 to 2016 also reflects a reduction in the number of single-family dwellings paying the flat rate as new homes shift to the metered rate.

Explanation of Changes — Expenditures and Transfers

The 2016 budget for Metro Vancouver charges is increasing by 7.4% over the 2015 budget. While this levy includes Greater Vancouver Sewerage and Drainage District (GVS&DD) capital costs, the 2016 increase is primarily driven by increased Metro Vancouver operating costs at the Iona Wastewater Treatment Plant — including additional biosolids management as the site is prepared for secondary sewer treatment. In 2016, debt charges (debt interest and principal combined) associated with the sewer capital program are increasing by 6%. These capital costs relate to the City's ongoing prioritization of its sewer separation program. Additionally, there is a slight decrease in pay-as-you-go contributions of $0.5 million as the City balances the increased costs related to site preparation at the Iona plant. By realigning how the City provides service and reducing equipment costs, staff were able to partially offset inflationary increases in the utility operating costs.

Notable Capital Projects

In 2016, the utility's plans call for continued sewer separation. It is anticipated that approximately 10.0 kilometres of sewer separation will be realized, with the goal of eliminating combined sewer overflows by 2050.

Project Name ($ millions)	Total Project Budget	Forecast 2015 Expenditure	2016 Annual Expenditure Budget	Future Years**
Sewer Main Reconstruction (Separation)*	N/A	22.3	30.0	74.2

* Funding for programs approved on annual basis.

** For Programs, reflects forecast amounts for remaining years, 2017-2018, of the 4 year capital plan.

As of 2015, 52.8% of the sewer system has been separated. The 2015-2018 Capital Plan reflects this increased separation rate, with 7.1 kilometres separated in 2015 and approximately 42.0 kilometres planned for the next three years as the City works to meet the requirements of the region's Liquid Waste Management Plan and the City's goal of eliminating combined sewer overflows by 2050.

Budget Trend

Major Category ($000)	2012 Approved Budget	2013 Approved Budget	2014 Approved Budget	2015 Restated Budget	2016 Proposed Budget
Revenues					
Sewer revenue					
Metered sewer charges	30,209	30,450	31,920	34,702	37,028
Flat rate sewer charges	22,911	24,056	24,405	24,868	27,495
Industrial waste water fees	680	714	741	732	786
Other sewer revenue	593	593	899	917	917
Total Sewer revenue	**54,393**	**55,813**	**57,965**	**61,219**	**66,226**
Total Revenues	$ 54,393	$ 55,813	$ 57,965	$ 61,219	$ 66,226
Expenditures & Transfers					
Sewer					
GVS&DD levy (Metro)	47,823	49,570	51,787	53,645	57,621
Sewer operations	8,063	8,704	9,259	8,293	8,488
Capital program & other transfers					
Debt service charges	26,406	27,899	29,573	31,348	33,228
Pay-as-you-go funding	26	26	26	1,200	700
Rate stabilization & other reserve transfers	1,811	838	16	117	47
Subtotal Capital program & other transfers	**28,243**	**28,763**	**29,615**	**32,664**	**33,976**
Shared support services	828	828	832	1,440	1,445
Total Sewer revenue	**84,957**	**87,865**	**91,494**	**96,042**	**101,530**
Total Expenditures & Transfers	$ 84,957	$ 87,865	$ 91,494	$ 96,042	$ 101,530
Net Operating Budget	$ (30,564)	$ (32,052)	$ (33,528)	$ (34,823)	$ (35,304)

Capital Budget ($ million)	$ 47.8	$ 46.8	$ 55.5	$ 51.1	$ 53.9

Note: Amounts have been rounded

Since 2011, sewer expenditures have been increasing largely due to increased costs from Metro Vancouver for sewage collection and treatment. Additionally, the significant ongoing capital program to separate the sewer system has contributed to increasing debt service charges. As a result, sewer revenues – largely recovered through metered and flat-fee customers – have been increasing year-over-year.

Employee Trend Table

Engineering Utilities Sewer	2011	2012	2013	2014	2015F
Regular Full-Time Staff	261.0	268.0	268.0	260.0	256.3
All Staff (including Part-time, Temporary and Auxiliary) Full-Time Equivalents*	264.3	275.2	278.9	278.5	264.9

*excluding overtime

The projected decrease in staffing is due to vacancies and a reduction in temporary staffing levels resulting from the fluctuating needs of the outside workforce.

ENGINEERING — WASTE MANAGEMENT AND RESOURCE RECOVERY (SOLID WASTE)

The Waste Management and Resource Recovery division is responsible for solid waste collection, diversion, transfer and disposal. Using a mix of City staff and contracted private haulers, the City provides all single-family and duplex homes in Vancouver with recycling, compostable organics and garbage collection, and all multi-residential buildings with recycling collection. Through these programs the City diverts more than 40,000 tonnes of compostable organics and more than 30,000 tonnes of recycling from landfill disposal each year. Institutional, commercial and industrial properties are serviced by the private sector.

KEY SERVICES DELIVERED

Waste Collection — Collection of garbage, recycling and organic waste primarily from residential properties

Transfer and Landfill — Operation and management of the Vancouver South Transfer Station and the Vancouver Landfill in Delta

MAJOR ACCOMPLISHMENTS IN 2015

As part of the Greenest City 2020 Action Plan, the City has set a goal to achieve Zero Waste — with a target of reducing total solid waste disposed to landfill or incinerator by 50% from 2008 levels. The City is also part of Metro Vancouver's Integrated Solid Waste and Resource Management Plan, which aims to achieve 70% diversion of waste from disposal. Achieving these goals requires an integrated approach that combines programs with regulatory tools, similar to the materials disposal ban that included new regulations to promote the recycling of demolition materials from pre-1940 homes

Beginning January 1, 2015, every property in Vancouver was required to have a food scraps disposal plan in place. Throughout 2015, the City continued implementing its Green Bin program; it offers food scraps recycling to 100,000 single-family homes and 1,800 multi-unit residential buildings.

The City completed its first full year of recycling collection programs under contract with Multi-Material British Columbia (MMBC). Funding from MMBC for recycling collection programs covered approximately two-thirds of the City's operating costs. The City implemented its first phase of separate glass collection to City-serviced, multi-family units in the latter part of 2015. A separate glass collection program will expand to all single-family homes and multi-family buildings in the City's contracted collection area throughout 2016.

On November 17, 2015, Council approved terminating the MMBC contract for single-family curbside and multi-family collection, and turning over recycling collection to MMBC no later than January 2, 2017. This provides an opportunity to invest funds, currently used to cover the recycling funding gap, into other program areas such as litter collection, abandoned and illegally dumped waste, as well as new recycling and other public realm cleanliness initiatives.

In 2015, the City's waste and green bin collection fleet was replaced with clean-burning compressed natural gas (CNG) vehicles, leading to a carbon pollution reduction of more than 300 tonnes. The resulting reduction in carbon emissions — of nearly 20% — supports the City's carbon emissions reduction goals under the Greenest City Action Plan.

At the Vancouver Landfill:

- The City continued upgrading, improving and increasing landfill gas collection while enhancing business strategies and partnerships for the beneficial use of landfill gas;
- In partnership with Metro Vancouver, the City implemented disposal bans on food scraps and clean wood waste at the Vancouver South Transfer Station and Vancouver Landfill; and,
- The 2015 landfill open house hosted almost 1,500 guests, including 600 residents and 900 students, teachers and parents from 23 schools. Forty-four bus tours were provided to students, teachers and residents over a two-day period in June.

PLANS FOR 2016

Waste Diversion —

- Initiate zero-waste actions identified within the City's refreshed Greenest City Action Plan;
- Support food scraps diversion in businesses and multi-family buildings;
- Continue focusing on minimizing contamination in the single-family green bin program;
- Citywide implementation of a program for separate glass collection;
- Transition responsibility for recycling to MMBC;
- Increase recycling of new materials added to the expanded recycling program through MMBC; and,
- Increased recycling opportunities at the Vancouver South Transfer Station and Vancouver Landfill.

Capital Infrastructure —

- Expand opportunities for the beneficial use of collected landfill gas at the Vancouver Landfill;
- Install additional landfill gas collection infrastructure to increase gas collection efficiency to meet the 75% target for recovery while increasing opportunities for its beneficial use;
- Improve site access and expand recycling opportunities at the Vancouver Landfill; and,
- Improve site access and mitigate traffic and space problems at the Vancouver South Transfer Station.

LOOKING AHEAD, 2017-2020

Waste Diversion —

- Increase overall diversion of organics by continuing to support food scraps recycling to all sectors. Support Metro Vancouver's 2015 disposal ban on organic materials to landfill and incinerator through education and enforcement;
- Increase the diversion of wood waste from landfill or incineration by expanding the Construction and Demolition (C&D) Waste Diversion Strategy to increase reuse and recycling of C&D waste;
- Support Metro Vancouver's Zero Waste Challenge through the development of education and enforcement strategies for all sectors, with a focus on waste prevention and material reuse initiatives; and,
- Advocate to the Province of BC for continued implementation of Extended Producer Responsibility (EPR) recycling programs, in accordance with the Canada-wide Action Plan for EPR, with specific focus on carpet, textiles and furniture.

Capital Infrastructure —

- Continue expanding opportunities for recovery and the beneficial use of collected landfill gas at the Vancouver Landfill (2017);
- Complete design for progressive closure of the southeast area (Phase 3) of the Landfill, including gas works and closure works (both in 2017);
- Complete design for progressive closure of the Western 40 hectares area of the Landfill, including gas works (2017) and closure constructions (2017 through 2019); and,
- Continue addressing access challenges at the Landfill from the new South Fraser Perimeter Road (2017, 2018).

DEPARTMENT SERVICE METRICS

Garbage, Recyclables, and Organics Collection Service

A notable trend in solid waste collection is a decline in the amount of garbage collected and the subsequent increase in green bin material collected. These changes are closely tied to implementation of the Green Bin program in 2013. Under this program, single-family residences receive weekly green bin and biweekly garbage collection. In 2014-15, the Green Bin program and weekly green bin collection were expanded to multi-family dwellings. The modest reduction in garbage and increase in green bin percentage seen between 2014 and 2015 is expected to continue as residents become more comfortable with the program.

In 2015, the City completed its first full year of recycling collection programs under contract with Multi-Material British Columbia (MMBC). The recycling program, expanded to include additional materials and tonnage collected, indicated more materials were received than in previous years. Projections for 2016 and beyond indicate a modest increase in overall tonnage of material diverted from disposal through additional efforts towards recycling. Projections take into consideration population growth and the City's continued efforts to maximize recovery of materials in its Green Bin and recycling programs.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Garbage, Recyclables and Organics Collection	Quantity	# of carts served all types	197,611	198,411	200,826	201,900	202,950
	Quality	% compostables	21.6%	22.7%	34.0%	41.2%	41.5%
		% Garbage	52.5%	51.4%	39.2%	32.8%	32.4%
		% recycling	25.9%	25.9%	26.8%	26.0%	26.1%
		% of missed collections (3-1-1)	0.20%	0.20%	0.23%	0.21%	0.20%
		# of metric tonnes collected via residential collection programs (i.e. garbage, recycling, compostables)	117,566	119,877	114,327	113,018	113,300

Transfers and Landfill Service

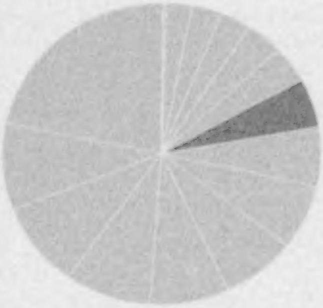
Between 2014 and 2015, total tonnage disposed of at the Vancouver Landfill dropped. Not only was this due to the diversion program changes outlined earlier, which are occurring region-wide, but because of the migration of commercial garbage out of the regional solid waste system in search of lower tipping fees. In April 2015, Metro Vancouver adjusted regional tipping fees in an attempt to encourage larger loads to remain in-region. Since the tipping fee change, there has been a rebound in tonnage; indications are positive this will continue, but more time is needed to assess the impact of the revised rates between 2015 and 2016.

Landfill gas collection continues increasing due to the construction of additional landfill gas collection infrastructure over the past four years. So the target of 75% recovery can be achieved, additional gas infrastructure improvements are planned for 2016. City staff are working with the Province to implement a landfill gas prediction model that accurately represents the amount of gas produced and recovered through the existing infrastructure, and support planning for new infrastructure. In 2015, the City had a landfill gas recovery rate of 65%.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Transfers and Landfill	Quantity	# tonnes disposed of at the Vancouver Landfill	665,000	716,300	601,202	548,742	532,432
	Quality	% of landfill gas collected	40%	52%	60%	65%	65%

2016 BUDGET

The utility's operating budget for 2016 can be divided into two main parts: City-run collection programs (garbage, Green Bin and recycling) and operation of the City's Vancouver South Transfer Station (VSTS) and the Vancouver Landfill (VLF). Collections are fully funded by user fees and receive no funds from the City's tax-supported operating budget. As components of the regional waste management system, the VSTS and VLF are subject to regulatory requirements imposed by the BC Ministry of Environment and Metro Vancouver and are fully funded from user fees. The VSTS and VLF receive waste from City-run collections, private haulers and other regional municipalities.



Solid Waste makes up 5%
of the 2016 Operating Budget

The collection service is operated as a utility. The City sets annual user fees to recover the cost of providing the service. The costs of operating the VSTS and VLF are recovered through tipping fees charged to facilities' users. Metro Vancouver sets the tipping fees for facilities across the regional system. At year-end, any operating surplus in the utility is transferred to a dedicated reserve that funds landfill closure costs, post-closure costs and environmental liabilities.

Year-over-Year Budget Changes

Major Category ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)
Revenues				
Solid Waste revenue				
Collection revenue				
Annual collection fees	26,795	26,854	59	0.2%
Multi-Material BC recoveries	8,169	8,200	31	0.4%
Other collection revenue	38	41	3	8.8%
Subtotal Collection revenue	**35,003**	**35,096**	**93**	**0.3%**
Disposal revenue				
Tipping fees	25,195	29,768	4,573	18.1%
Metro & Delta's share	314	(1,400)	(1,714)	(545.4%)
Other disposal revenue	3,098	2,945	(153)	(4.9%)
Subtotal Disposal revenue	**28,608**	**31,313**	**2,706**	**9.5%**
Total Solid Waste revenue	**63,610**	**66,409**	**2,798**	**4.4%**
Total Revenues	$ 63,610	$ 66,409	$ 2,798	4.4%
Expenditures & Transfers				
Solid Waste				
Collections	27,733	27,666	(68)	(0.2%)
Landfill	19,213	19,578	365	1.9%
Transfer station	7,561	7,938	376	5.0%
Capital program & other transfers				
Capital Financing Fund loan payments	2,898	2,259	(639)	(22.0%)
Solid Waste Reserve & other transfers	4,341	7,104	2,764	63.7%
Subtotal Capital program & other transfers	**7,239**	**9,364**	**2,125**	**29.4%**
Shared support services	1,863	1,863	0	0.0%
Total Solid Waste	**63,610**	**66,409**	**2,798**	**4.4%**
Total Expenditures & Transfers	$ 63,610	$ 66,409	$ 2,798	4.4%
Net Operating Budget	-	-	-	-

Note: Totals may not add due to rounding

Explanation of Changes — Revenue

For 2016, budgeted disposal revenues will increase by $2.7 million because of a projected increase in tonnes of garbage disposed of at the Landfill. This expected volume increase is due, in part, to Metro's Vancouver's implementation of a graduated tipping fee designed to keep larger and more profitable garbage loads in the regional waste disposal system. The lower value of the Canadian dollar has also been a factor. Metro Vancouver and Delta's share is the revenue generated by waste from outside Vancouver less their share of the operating cost to handle that waste. Based on 2016 tonnage estimates, a $1.4 million surplus payment is anticipated.

Budgeted collection fees will increase slightly, a change entirely due to the increased volume of service (such as more garbage and green bin carts than 2014). Rates in 2016 will be held flat at $261 for the average single-family home.

Explanation of Changes — Expenditures and Transfers

For 2016, budgeted expenditures and transfers will increase by $2.8 million due to an increased transfer to the Solid Waste Reserve (a dedicated reserve to pay for landfill closure and post-closure costs) as well as higher regional utility charges, including royalties paid to Delta and the Metro Vancouver solid waste levy — both increasing due to higher forecast tonnage. These projected increases are partially offset by productivity savings made possible by using more reclaimed material which lowers the cost of road-building at the Landfill and rebalancing green bin collection routes.

Notable Capital Projects

The following table summarizes some of the noteworthy projects involving Waste Management and Resource Recovery, or that will begin in 2016. A complete list of all capital projects for 2016 is included in the Council Report appendixes.

Project Name ($ millions)	Total Project Budget	Forecast 2015 Expenditure	2016 Annual Expenditure Budget	Future Years**
Landfill Closure and Gas Collection (Phase 3, Western 40 Hectares)	45.0	1.1	6.0	38.9
Landfill Entrance Reconstruction	5.7	0.7	1.6	3.1
Transfer Station Improvements	4.9	0.4	3.0	0.8

The City performs progressive closure of completed sections of the Landfill and ongoing installation of gas collection infrastructure. To date, 48 hectares of the Landfill have been progressively closed; the next sections of the site to close are Phase 3 Southeast in 2017 and the Western 40 hectares (over three years), also starting in 2017. Work planned for 2016 includes engineering design of the closure and gas works systems for these two areas, which represents significant progress toward achieving the regulatory target of recovering 75% of gas produced by solid waste in the Landfill.

Also planned for 2016 are construction of improvements to the Landfill entrance and Transfer Station; the aim is to facilitate traffic and material flows and increase recycling opportunities.

Budget Trend

Major Category ($000)	2012 Approved Budget	2013 Approved Budget	2014 Approved Budget	2015 Restated Budget	2016 Proposed Budget
Revenues					
Solid Waste revenue					
Collection revenue					
Annual collection fees	26,275	27,309	27,087	26,795	26,854
Multi-Material BC recoveries	-	-	5,200	8,169	8,200
Other collection revenue	1,730	1,769	312	38	41
Subtotal Collection revenue	**28,006**	**29,079**	**32,599**	**35,003**	**35,096**
Disposal revenue					
Tipping fees	24,103	24,585	29,985	25,195	29,768
Metro & Delta's share	(1,658)	(1,691)	(2,424)	314	(1,400)
Other disposal revenue	4,064	4,146	3,531	3,098	2,945
Subtotal Disposal revenue	**26,510**	**27,040**	**31,092**	**28,608**	**31,313**
Total Solid Waste revenue	**54,515**	**56,119**	**63,692**	**63,610**	**66,409**
Total Revenues	$ 54,515	$ 56,119	$ 63,692	$ 63,610	$ 66,409
Expenditures & Transfers					
Solid Waste					
Collections	21,936	22,056	27,293	27,733	27,666
Landfill	16,787	17,570	18,819	19,213	19,578
Transfer station	6,957	6,694	8,622	7,561	7,938
Capital program & other transfers					
Capital Financing Fund loan payments	1,300	2,150	2,810	2,898	2,259
Solid Waste Reserve & other transfers	7,258	7,371	5,870	4,341	7,104
Subtotal Capital program & other transfers	**8,558**	**9,521**	**8,680**	**7,239**	**9,364**
Shared support services	277	277	277	1,863	1,863
Total Solid Waste	**54,515**	**56,119**	**63,692**	**63,610**	**66,409**
Total Expenditures & Transfers	$ 54,515	$ 56,119	$ 63,692	$ 63,610	$ 66,409
Net Operating Budget	-	-	-	-	-
Capital Budget ($ million)	$ 24.2	$ 22.7	$ 8.2	$ 6.6	$ 12.1

Note: Totals may not add due to rounding

For 2016, budgeted disposal revenues will increase from 2015 to reflect higher Landfill and Transfer Station garbage volumes, due in part to Metro Vancouver's implementation of a graduated tipping fee designed to keep larger, more profitable garbage loads in the regional waste disposal system and partly because of the lower Canadian dollar. Budgeted collection revenues, Landfill and Transfer Station expenses, and collection expenses will remain more or less unchanged from 2015, having increased dramatically in the previous three years.

The transfer to the Solid Waste Reserve, a dedicated reserve to pay for landfill closure and post-closure costs, is expected to increase in 2016 – largely due to increased disposal revenues. This transfer decreased significantly in 2014 and 2015 due to migration of Metro Vancouver's commercial waste outside the regional system. A fall in the value of the

Canadian dollar and efforts by Metro Vancouver to keep large loads of garbage in the regional waste system have helped turn this migration around.

Employee Trend Table

Engineering Solid Waste	2011	2012	2013	2014	2015F
Regular Full-Time Staff	206.0	207.0	210.0	222.0	209.7
All Staff (including Part-time, Temporary and Auxiliary) Full-Time Equivalents*	242.6	240.4	251.3	260.0	248.2

*excluding overtime

From 2011-2014, staff levels increased as services expanded and new programs – including the single-family green bin, MMBC program and multi-family green bin program – were implemented. The decrease in staffing in 2015 represents the reallocation of five Solid Waste billing staff to Financial Services plus attrition of Landfill, Transfer Station and collections staff.

ENGINEERING — NEIGHBOURHOOD ENERGY UTILITY

Neighbourhood Energy Systems (NES), most suitable in dense urban areas, are shared infrastructure platforms providing heating and/or cooling for multiple buildings. These systems provide a utility business model and economies of scale needed to make use of various renewable energy resources that are often unavailable or unaffordable to implement in individual buildings. These district-wide systems are also capable of serving both new development and existing gas-heated buildings. A high-priority strategy of the Greenest City Action Plan is to pursue neighbourhood energy systems for high-density, mixed-use neighbourhoods, with the target of reducing 120,000 tonnes of carbon dioxide per year by 2020.

The City's neighbourhood energy work program falls into two general categories:

- **Southeast False Creek Neighbourhood Energy Utility (SEFC NEU)** — Ongoing capital expansion and operations of the City-owned NES
- **Citywide Neighbourhood Energy Strategy** — Implementation of new low-carbon NES in the Downtown, Cambie Corridor, and Central Broadway areas. Private sector utility providers have been selected through public competitive procurement processes with utility providers typically operating under a negotiated franchise agreement committing to low-carbon outcomes.

KEY SERVICES DELIVERED

Neighbourhood Energy Utility (NEU) — Provide low-carbon energy on a neighbourhood scale to buildings in Southeast False Creek (SEFC) and the Great Northern Way Campus Lands

MAJOR ACCOMPLISHMENTS IN 2015

SEFC Neighbourhood Energy Utility

This was the fifth year of successfully delivering low-carbon energy, and in 2015 there were no unplanned interruptions to energy service delivery. During the year three new buildings were connected to the system within SEFC, resulting in an 11% increase in the served-floor area. The NEU's distribution system was also extended to connect the first building on the Great Northern Way Campus Lands.

As part of ongoing governance of the Southeast False Creek NEU, a five-year comprehensive financial and rate review was completed.

Citywide Neighbourhood Energy Strategy

In 2015, the City continued its focus on implementing the NES citywide. Following a competitive public procurement process, the City selected Creative Energy as lead utility proponent for the Downtown in 2013, subsequently entering into a Memorandum of Understanding to further several Downtown strategy-related initiatives.

For 2015, high-priority actions included:

- **Northeast False Creek and Chinatown** — The City established a service area bylaw to secure the customer base for a new system in this area. Subsequently, with the City's support, Creative Energy filed an application with the British Columbia Utilities Commission for approval of a franchise agreement between the City and Creative Energy, and for establishing this system;
- **Low-carbon conversion of the Downtown steam system** — Creative Energy, in collaboration with the City, completed a feasibility study to convert the Downtown Creative Energy steam system to a low-carbon energy supply. A site was also identified in the False Creek Flats area for a potential new energy centre for this project;
- **South Downtown** — Negotiations are underway for a franchise agreement with Creative Energy for a new low-carbon NES in the South Downtown area;
- **Cambie Corridor South** — Following a competitive procurement process, in 2014 a Memorandum of Understanding was negotiated with Creative Energy to explore the potential for establishing an NES to serve the Cambie South neighbourhood. In 2015, a feasibility study and implementation plan were completed for this area, and the negotiation of a franchise agreement to secure low-carbon energy supply was initiated;
- **Cambie Corridor North** — The Provincial Health Services Authority (PHSA) has further refined the business case for constructing a low-carbon energy centre. Subject to approval by the Province, design and public consultation activities are expected to begin before year-end 2015. The City has established an Energy Centre Advisory Group, made up of external subject matter experts, to provide input and evaluate the project;
- **Central Broadway** — Central Broadway overlaps with Cambie North; future NES service to this area will be coordinated with the Cambie North NES utility provider when this provider is confirmed. NES planning for this area is coordinated with overall land use and rapid transit planning; and,
- **New developments covered by the Large Sustainable Sites Rezoning Policy** — Because of this policy, a number of large development sites began establishing site-scale, low-carbon energy systems. Developments under construction include PCI Marine Gateway, Shannon Estates, and Intracorp's MC^2; newly committed developments include 1090 West Pender Street.

PLANS FOR 2016

In 2016, the City will continue advancing work in key areas of its citywide strategy:

- **SEFC Neighbourhood Energy Utility** —
  - Extending the SEFC NEU distribution system further into the Great Northern Way Campus to pre-service the Emily Carr facility and connect one new development in Southeast False Creek. This will increase the customer base by 22,500 square metres of additional floor area (6% of the total customer base).
  - As part of planned capacity increases for this, one existing 4-megawatt natural gas boiler in the False Creek Energy Centre will be upsized to an 8-megawatt

unit. This is necessary to ensure adequate energy supply capacity to new buildings.

    - Design activities will be initiated to expand low-carbon energy capacity

- **Citywide Neighbourhood Energy Strategy —**
    - **Downtown —**
        - **Northeast False Creek and Chinatown** — Creative Energy plans to construct initial NES infrastructure to serve new buildings, and the first two customer buildings will be connected. The City will continue liaising with new developers and Creative Energy in accordance with the franchise agreement.
        - **Low-carbon conversion of the Downtown steam system** — The City will negotiate legal agreements with Creative Energy to secure the low-carbon conversion of the Downtown steam system.
        - **South Downtown** — The City will consider expanding the Neighbourhood Energy By-law (presently applicable to Northeast False Creek) to include the South Downtown area, and Creative Energy will initiate infrastructure construction work. Creative Energy plans to pursue approval from the BC Utilities Commission to establish the system.
        - **Other areas** — Creative Energy, with the City, plans to initiate a feasibility study to expand NES into the West Georgia Street corridor (the West End Community Plan area).
- **Cambie Corridor —**
    - The PHSA plans to begin public engagement related to low-carbon conversion of the steam system for BC Children's and Women's hospitals
    - The City will undertake to negotiate a franchise agreement for the South Cambie area

LOOKING AHEAD, 2017-2020

By 2020, redevelopment of the private lands in Southeast False Creek is expected to be substantially complete. Further development of City-owned lands in SEFC depends on the City planning process.

Southeast False Creek —

- **2017 —**
    - The City expects to connect four new SEFC buildings and extend the distribution system as needed
    - Design and procurement for additional low-carbon capacity
- **2018 —**
    - Connect three new buildings and extend the distribution system as needed
    - Install and commission additional low-carbon capacity

- **2019 –**
    - Connect two new buildings and extend the distribution system as needed

Downtown –

- **Northeast False Creek and Chinatown** – Creative Energy plans to construct NES infrastructure to serve new buildings as they develop. The City will continue liaising with new developers and Creative Energy in accordance with the franchise agreement.
- **Low-carbon conversion of the Downtown steam system –**
    - **2017 –** Creative Energy plans to pursue regulatory approvals with the BC Utilities Commission (BCUC) for the conversion project
    - **2017 –** Creative Energy plans to undertake design of the low-carbon plant and interconnection with the existing steam network
    - **2018-2019** – Creative Energy plans to begin construction of the low-carbon plant and interconnection piping
- **South Downtown –**
    - **2017 –** Creative Energy plans to install initial NES infrastructure to serve the "Vancouver House" development
    - **2018-2019 –** Creative Energy plans to construct NES infrastructure to serve additional new buildings as they develop
- **Other areas –** Creative Energy, with the City, plans to begin initial development activities and pursue BCUC approval for initial NES infrastructure in the West Georgia Street corridor

Cambie Corridor –

- **2017 –** Creative Energy plans to pursue BCUC approval for the Oakridge NES project
- **2017 –** Creative Energy plans to undertake design of the Oakridge waste heat recovery plant and distribution system
- **2018-2019** – Creative Energy plans to construct initial NES infrastructure

DEPARTMENT SERVICE METRICS

Neighbourhood Energy Utility

Neighbourhood Energy Utility (NEU) metrics represent the system's overall growth and operational resiliency; the floor area metric indicates continued growth of the connected floor area in 2015. The greenhouse gas (GHG) reductions metric indicates a levelling of the amount of carbon dioxide being avoided by the utility. This is a result of the system's growth beginning to reach the limit of existing renewable energy supply capacity. This has always been expected in the NEU business plan and is a short-term situation that is the result of new customers being added to the system before expansion of the sewage heat recovery system is economical.

Other metrics worth noting:

- The NEU floor area uptake is on target and consistent with prior growth forecasts;
- NEU annual rate increases are aligned with Council Policy approved in 2015 which sets key performance indicators and targets to guide rate-setting; increases incorporate input from the Neighbourhood Energy Expert panel; and,
- GHG reductions are forecast to improve significantly in 2019 after installation of a second sewage heat-recovery system or other new low-carbon heat supplies.

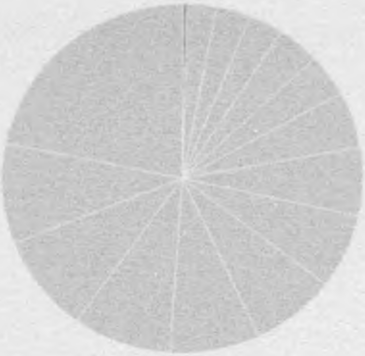
Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Neighbourhood Energy Utility	Quantity	GHG Reductions (tonnes CO2 Equivalents)	1,471	2,407	2,529	2,866	2,967
		Floor Area (square metres)	178,167	224,880	321,753	354,489	395,282

Note to Table – First buildings resulting from the Neighbourhood Energy Strategy will be connected in 2016. The City will report on these connections going forward.

2016 BUDGET

In NEU operations, the main expense factors are increases in variable costs (such as electricity and natural gas needed to operate the Energy Centre) and staffing (to operate the NEU).

Capital program expenses relate to debt-servicing costs for the debt incurred to pay for the initial capital investment in the NEU and an expansion of the distribution pipe system and energy transfer stations to bring energy to new buildings in the system.



NEU makes up 0.3% of the 2016 Operating Budget

Year-over-Year Budget Changes

Major Category ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)
Revenues				
Neighbourhood Energy				
NEU fixed levy	2,182	2,521	339	15.5%
NEU energy charge	1,501	1,818	317	21.1%
Total Neighbourhood Energy revenue	**3,683**	**4,339**	**656**	**17.8%**
Total Revenues	$ 3,683	$ 4,339	$ 656	17.8%
Expenditures & Transfers				
Neighbourhood Energy				
NEU operations	1,786	1,906	119	6.7%
Capital program & other transfers				
Debt service charges	2,587	3,406	819	31.7%
Rate stabilization & other reserve transfers	(690)	(972)	(282)	40.9%
Subtotal Capital program & other transfers	**1,897**	**2,433**	**537**	**28.3%**
Total Neighbourhood Energy	**3,683**	**4,339**	**656**	**17.8%**
Total Expenditures & Transfers	$ 3,683	$ 4,339	$ 656	17.8%
Net Operating Budget	-	-	-	-

Note: Totals may not add due to rounding

Explanation of Changes – Revenue

The recommended rate increase for 2016 will be a 3.2% net increase, to be achieved by a 2.5% increase in the Fixed Capacity Levy and a 4.0% increase in the Energy Use Charge. The majority of the $0.7 million increase in the revenue budget is due to an increase in the customer base served due to system expansions.

Explanation of Changes – Expenditures and Transfers

The transfer from the rate stabilization reserve has increased by $0.3 million due to additional debt-servicing costs for system expansion.

Notable Capital Projects

The following table summarizes some of the noteworthy projects involving the Neighbourhood Energy Utility, or which will begin in 2016. A complete list of all capital projects for 2016 is included in the Council Report appendixes.

Project Name ($ millions)	Total Project Budget	Forecast 2015 Expenditure	2016 Annual Expenditure Budget	Future Years**
Neighbourhood Energy Utility (NEU) System Expansion*	6.0	2.0	1.3	8.8

* Funding for programs approved on annual basis.

** For Programs, reflects forecast amounts for remaining years, 2017-2018, of the 4 year capital plan.

In 2016, the NEU anticipates continuing work on extending the NEU system to Great Northern Way, with a further extension (by 250 metres) to connect Emily Carr University in early 2017. Connecting one new building will cost $1.3 million in 2016, with additional connection costs forecast at an additional $8.8 million in future years.

Budget Trend

Major Category ($000)	2012 Approved Budget	2013 Approved Budget	2014 Approved Budget	2015 Restated Budget	2016 Proposed Budget
Revenues					
Neighbourhood Energy					
NEU fixed levy	1,120	1,765	1,949	2,182	2,521
NEU energy charge	860	907	1,043	1,501	1,818
Total Neighbourhood Energy revenue	**1,980**	**2,672**	**2,992**	**3,683**	**4,339**
Total Revenues	$ 1,980	$ 2,672	$ 2,992	$ 3,683	$ 4,339
Expenditures & Transfers					
Neighbourhood Energy					
NEU operations	1,488	1,606	1,902	1,786	1,906
Capital program & other transfers					
Debt service charges	2,061	2,420	2,548	2,587	3,406
Rate stabilization & other reserve transfers	(1,569)	(1,355)	(1,458)	(690)	(972)
Subtotal Capital program & other transfers	**492**	**1,066**	**1,090**	**1,897**	**2,433**
Total Neighbourhood Energy	**1,980**	**2,672**	**2,992**	**3,683**	**4,339**
Total Expenditures & Transfers	$ 1,980	$ 2,672	$ 2,992	$ 3,683	$ 4,339
Net Operating Budget	-	-	-	-	-
Capital Budget ($ million)	$ 1.5	$ 0.9	$ 2.6	$ 2.6	$ 1.3

Note: Totals may not add due to rounding

Since it was established in 2010, the NEU has been expanding and adding buildings to the system. Expansion results in additional revenues and expenditures.

Employee Trend Table

Engineering NEU	2011	2012	2013	2014	2015F
Regular Full-Time Staff	4.0	4.0	5.0	5.0	4.0
All Staff (including Part-time, Temporary and Auxiliary) Full-Time Equivalents*	4.0	4.6	5.5	6.3	5.9

*excluding overtime

NEU staffing is split between two key work programs: a) operations and capital expansion of the SEFC NEU (funded by the City-owned utility), and b) implementation activities related to the citywide Neighbourhood Energy Strategy (funded by the Sustainability Group's operating budget).

ENGINEERING — PUBLIC WORKS

Engineering's Public Works Department deals with all aspects of street right-of-way and the public realm. This infrastructure, which plays a key role in moving people and goods and delivering key city services, consists of six key services outlined below.

Along with water and sewer utilities, Public Works is focused on implementing the Greenest City Action Plan and Transportation 2040. Both plans include high-level policy and detailed actions relating to transportation and the public realm; they provide blueprints for moving forward, building upon past successes and rising to meet new and emerging challenges — including climate change, an aging population, limited road space and high housing costs.

KEY SERVICES DELIVERED

- **Transportation planning** — Enabling the movement of people, goods and services in a way that supports healthy citizens, a thriving economy, a clean environment and high quality of life, with direct metrics to increase sustainable transportation mode share and improve safety.
- **Parking** — Providing and regulating on- and off-street parking spaces to support the safe and orderly movement of traffic, support local businesses and ensure neighbourhood liveability, while supporting other City objectives around sustainable transportation and public space.
- **Street infrastructure and maintenance** — Managing streets, cycling facilities, sidewalks and electrical assets to minimize lifecycle cost and support necessary utilities.
- **Street activities** — Managing street furniture, wayfinding, on-street activities (such as filming and special events) and other programs and activities to support a vibrant public realm. Examples include VIVA Vancouver, patios and food trucks.
- **Street cleaning** — Cleaning the streets of litter and illegally dumped garbage (such as electronic waste and mattresses).
- **Corporate equipment management** — Managing the corporate fleet and equipment assets to support City operations.

MAJOR ACCOMPLISHMENTS IN 2015

Transportation Planning

In 2015, the City continued implementing the Transportation 2040 Plan, engaging in numerous projects and plans and delivering new and improved infrastructure.

Among the year's highlights:

- The City is on track to meet its Greenest City and Transportation 2040 targets to see at least one-half of all trips made by foot, bike and/or transit by 2020, with a Transportation Panel Survey reporting that nearly 50% of trips in Vancouver are made using sustainable modes;

- The City won awards for the Seaside Greenway project from the Transportation Association of Canada and from the Institute of Transportation Engineers. The project includes North America's first protected intersection design, at the intersection of Burrard Street and Cornwall Avenue; and,
- Cycling volumes across the city have reached record levels. Between January and August 2015, more than one million cycling trips were taken across the Burrard Bridge.

First quarter 2015 —
The Transportation and Transit Plebiscite was the focus of the division's work, along with advancing planning and design on several large projects including improvements to the Burrard Bridge and SW Marine Drive. In addition to having staff assist the Mayors' Council office with the plebiscite campaign, nearly 200 presentations were given to internal and external groups to create awareness of the Mayors' Council Regional Transportation Plan, the regional importance of extending the Millennium Line SkyTrain under the Broadway Corridor to Arbutus Street on Vancouver's west side (more commonly known as the Broadway Subway) and the benefits of a successful plebiscite.

Second quarter 2015 —

- The City engaged stakeholders and the general public on the Burrard Corridor project. This $35 million project includes rehabilitating the Burrard Bridge, safety upgrades at the Burrard-Pacific intersection and other improvements — including allowing walking on both sides of the bridge and improved active transportation connections at the bridge's north end. Construction will begin in early 2016 and be completed by mid-2017;
- Public and stakeholder engagement began on projects including Phase 2 of the Seaside Greenway completion project (which focuses primarily on walking), as well as improvements to Davie Village. Proposed improvements advance the West End Community Plan and include a permanent design for the new Jim Deva Plaza;
- Engagement began on several projects to improve existing bike facilities. These included 10th Avenue, SW Marine Drive, and the South False Creek Seawall; and,
- The City upgraded and expanded its cycling network. Numerous spot improvements were made throughout the city, while new bike lanes were introduced on King Edward Avenue between Quesnel and Angus drives.

Safety
Safety remains a priority for Engineering Services. Sixty-seven of 69 priority actions identified in the Pedestrian Safety Action Plan are now complete, including: installing 10 traffic signals and 100 countdown timers; changes to the timing at 75 signals to accommodate slower walk speeds; and lighting upgrades at nine, high pedestrian-motor vehicle collision intersections. In early 2015, the City completed its first-ever Cycling Safety Study. Work is underway to respond to the findings, including improvements at the Commercial Drive/10th Avenue intersection, various spot improvements throughout the network and a move towards designing more protected intersections.

The City has also completed assessments at more than 100 rail crossings, developing a strategy to come into compliance with Transport Canada's new rail crossing safety standards. The City also applied for and received notice of award for federal funding for safety and goods movement improvements at Knight Street and Marine Drive. This intersection is Vancouver's highest crash location, and the intersection of two of its most important truck routes. A recommendation for project approval was reported to Council and approved in September 2015.

Parking

In 2015, the City continued providing and regulating on-street parking spaces to facilitate the safe and orderly movement of traffic and support businesses, residents and visitors. The City reviewed enforcement and operational programs to improve on-street efficiencies and customer service to further support businesses and citizens. This included:

- Designated staffing for key parking areas;
- Improvements in response times to attend priority (safety) requests for enforcement;
- Review of the use of City resources, resulting in substantial fleet reductions (supportive of the Transportation 2040 Plan); and,
- Reductions in turnaround times to resolve broken or jammed meters.

Improvements were also made in several related areas online including the availability to the public of photographic evidence of ticket violations.

Vancouver is a North American leader in car-sharing, with the number of shared vehicles continuing to grow significantly — from 1,200 car-share vehicles and three operators in 2014 to 2,200 vehicles and four operators in 2015. As this industry grows, more City staff resources have been allocated to ensure parking spaces, car-share permits and operational issues are managed appropriately.

Staff are also following through on commitments made in Transportation 2040 and the West End Community plans to make it easier for residents and visitors to find parking in the West End in a manner that does not encourage more driving overall. An initial round of public engagement is planned for the fourth quarter of 2015.

Street Infrastructure and Maintenance

In 2015, the City:

- Continued repaving roadways and prioritizing work using asset condition data. Major rehabilitation projects included works on McGill and Howe streets, King Edward Avenue West, and East Broadway;
- Rehabilitated Angus Drive from 33rd to 75th avenues in coordination with Metro Vancouver, in conjunction with underground utility construction — one of the key factors for prioritizing local road reconstruction; and,

- Completed the pavement condition survey program for the City's local and arterial street networks; it provides updated condition data to inform rehabilitation and maintenance planning functions.

Street Activities

In 2015, the City continued supporting vibrant public spaces, economic growth and community development through street use programs. Among the highlights:

- The City introduced new public spaces through its pilot 'parklet' program;
- The City's patio program (with extended hours) received a record number of applications; the City also supported the first-ever 'Patio Day' event;
- VIVA Vancouver received an international response for design submissions for Robson Redux, the summer public space installation on the 800 block of Robson, and worked in partnership with the Downtown Vancouver Business Improvement Association (DVBIA) to host the Granville Social event; and,
- The Integrated Graffiti Management Program continued; it aims to lower graffiti levels while supporting local artists in producing art throughout Vancouver.

In this area, other activities included: continuing to refine existing processes to make it easier for residents to hold community events; reviewing on-street horticulture maintenance; planning for public bike-share implementation; and reviewing sidewalk merchandise displays.

Street Cleaning

Street cleaning activities focus on public realm cleanliness. Crews provide regular clean-up citywide, including emptying litter receptacles, mechanical sweeping and flushing and manual litter collection. Additional tasks include: the cleanup of abandoned and illegally disposed waste on City property; street clean-up following special events, such as the Celebration of Lights (held each summer); collection of street leaves in the fall; licensing of waste containers in the public realm; and the enforcement of container licensing and abandoned/illegal waste disposal. Funding for micro-cleaning is provided to social agencies in the Downtown Eastside, Downtown core and some business improvement associations. Also included is Keep Vancouver Spectacular, a series of volunteer-based programs helping to reduce litter and support a healthy, vibrant and clean Vancouver.

Also in 2015:

- The City continued its partnerships with electronic recycling stewards and community volunteers to provide electronic recycling opportunities to neighbourhoods and discourage illegal dumping of these materials. Electronics recycling events collected more than 10,000 items, diverting 14,000 kilograms of electronic material from landfill;
- The City's Keep Vancouver Spectacular Program celebrated its 20th anniversary with a record number of volunteers. More than 21,000 volunteers participated in 400 clean-up events across the City, and 160 blocks were adopted by residents to support the blocks maintenance;

- A strong focus was placed on addressing illegal dumping and abandoned waste. However, the number of illegal dumping and abandoned garbage cases increased by 27% and continues to be an area of increased concern. In 2015 additional litter containers were placed in key areas of the Downtown core, as well as beaches, seawalls, parks and other high-use areas; and,
- Calls to 3-1-1 about overflowing street and park litter cans increased by 71%. The amount of material in tonnes collected by City crews from street and park litter cans increased by 18%.

Corporate Equipment Management
The City continued focusing on rightsizing its fleet — to reduce the number of vehicles and by selecting the most efficient vehicles to support operations.

In 2015, the City completed procurement of major replacement and renewal of its fire fleet and Compressed Natural Gas (CNG) sanitation vehicles, along with the construction of a CNG station to fuel the trucks, in addition to putting contracts into place for light- and medium-duty vehicles which will bring in a lighter, more efficient fleet that will reduce fuel consumption, costs and overall GHG emissions. By 2020 the target is to reduce the fleet size by 20% and GHG emissions by 30%.

PLANS FOR 2016

Transportation Planning —

- Prepare for and host the Pro Walk/Pro Bike/Pro Place conference in September 2016, a conference founded on the belief that greater access to walking and bicycling will create healthier individuals, cohesive neighborhoods and vibrant communities;
- Upgrade and expand walking and cycling networks through projects including the SW Marine Drive repaving, Point Grey Road Phase II, and South False Creek Seawall Improvement Plan;
- The City issued a request for proposal for a Public Bike Share system, updating the earlier procurement activity, recognizing the evolution of technology, with the goal of bringing a system to the City in 2016;
- Initiate planning and consult on conceptual designs for active transportation improvements to Water Street in Gastown, enabled by necessary street rehabilitation;
- Plan for Cambie Bridge active transportation improvements and related connections;
- Consult and design on 10th Avenue bikeway improvements;
- Work with Park Board staff to design improvements to the Comox-Helmcken Greenway between Pacific and Mainland streets;
- Plan and consult on conceptual designs of Commercial Drive as a complete street with the Grandview-Woodland Community Plan team;
- Continue planning and design work on the proposed Georgia and Dunsmuir Viaducts replacement; and,
- Consult and design on Knight Street and Marine Drive intersection improvements.

Parking —

- Complete engagement and begin implementing improved management of residential and visitor parking in the West End;
- Update residential parking requirements for development in the Downtown;
- Update policy related to on-street car-sharing; and,
- Resume work on the Licence Plate Recognition (LPR) project to improve enforcement of residential parking permits areas, including replacement of supporting software (the City's parking enforcement platform).

Street Infrastructure and Maintenance —

- Continue assessing asset condition to prioritize maintenance and rehabilitation activities for streets, sidewalks and lighting infrastructure;
- Complete rehabilitation projects on arterial streets, including SW Marine Drive, Burrard, and Knight streets; and,
- Continue condition assessment program for bridges.

Street Activities —

- Enable and enhance public realm activation activities such as VIVA Vancouver, murals, film activities, patios, food trucks and special events. Increase use of streets for public events, celebrations and economic activity;
- Increase the number of community garden plots and adoption of planted areas of traffic circles and corner bulges by residents;
- Continue enhancing prevention and management of graffiti;
- Continue working towards implementing a public bicycle share (PBS) system; and,
- Continue refining the pilot parklet program and facilitating delivery of new parklets throughout Vancouver.

Street Cleaning —

- Efforts will continue to improve the city's overall cleanliness. A combination of regulatory and service initiatives will be needed to promote better management of litter and abandoned waste. Funding of $2.8 million has been included in the 2016 Budget for additional public realm cleanliness; and,
- Provide street leaf-cleaning services as part of the annual fall leaf-collection program. Following enhancement of signing procedures, the City will tow and now ticket vehicles violating 'No Parking' signage during street leaf-cleaning operations. To support this change, a comprehensive communications program will be developed to advise and educate the public on the new ticketing procedures. A result of this operational change may be a rise in 3-1-1 calls.

Corporate Equipment Management —

- Replace light- and medium-duty vehicles under the new contract as they require replacement, which will result in reduced costs and GHG emissions ; and,
- Launch the pilot project for GPS technology to support fleet optimization.

PLANS FOR 2017-2020

In addition to the items above, key projects for this period, by area, include:

- **Transportation Planning –**
  - Construction of Knight Street at Marine Drive safety and goods movement improvements (summer 2017);
  - Ontario Greenway AAA improvements;
  - Beatty Street Bikeway AAA upgrade;
  - Plan and consult on a new Hudson Bikeway;
  - Adanac Bikeway AAA upgrades;
  - Planning and design for a centre lane greenway along Granville Bridge; and,
  - Rail crossing upgrades to meet new federal guidelines.
- **Parking –**
  - Ongoing exploration and development of enhancements to existing parking technology that support compliance with parking regulations and maximize the efficiencies of parking enforcement officers in the field;
  - Ongoing support of citizen inquiries relating to tickets, adjudication and emergency enforcement requests;
  - Continued management of the City's Abandoned Vehicle program, which places notification on suspected abandoned vehicles and may eventually lead to towing the vehicle, attempting to locate the rightful owner or vehicle disposal;
  - Implementation of review findings regarding the City's parking meter infrastructure; and,
  - Updating bike parking requirements for new development and implementing a retrofit program for existing developments.
- **Street Infrastructure and Maintenance –**
  - Continue annual rehabilitation programs for local streets, including identifying coordination opportunities with utility renewals (2017-2020);
  - Continue annual rehabilitation programs for arterial street networks (2017-2020);
  - Ongoing renewal of street lighting infrastructure, including opportunities to replace lighting systems with LED technologies (2017-2020);
  - Complete the current contract for the condition assessment program for bridges (2017-2020) and undertake procurement for the next condition assessment program (2018-19); and,
  - Undertake the next street network pavement condition survey (2018).
- **Street Activities –**
  - Continue planning for and implementing a public bicycle-share system;
  - Continue developing the VIVA Vancouver program; and,

    - Continue increasing street use for public events, celebrations and economic activity (including film production), as well as providing continued support for parades and block parties.
- **Street Cleaning** —
    - The City will continue focusing on expanding public involvement and support in keeping Vancouver clean through additional efforts relating to our Keep Vancouver Spectacular program;
    - New equipment and container technologies will be explored to improve operational efficiency; and,
    - Opportunities for additional partnerships with social enterprises will be a key component of the City's work in the Downtown Eastside.
- **Corporate Equipment Management** — Plans for 2017-2020 are to continue fleet replacement programs that capitalize on new technology and a greener fleet, and expanding GPS technology to support fleet optimization.

DEPARTMENT SERVICE METRICS

Transportation and Planning

Safety is a priority for Engineering Services, and plans and accomplishments focus on improving and reinforcing citizen safety. While monitoring the increase in walking, cycling and transit use, the City actively tracks the number of traffic collisions and fatalities.

Between 2014 and 2015, the City expanded the cycling network from 270 to 275 kilometres. The quality of the network also improved, with the percentage designated for riders of all ages and abilities (AAA) increasing from 19% in 2013 to 20% in 2014.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Transportation Planning	Quantity	Total number of trips originating in the City of Vancouver 24hrs	1,735,294	NDA	1,901,253	1,823,058	1,900,000
		km of total bike network	239	255	265	270	270
	Quality	Mode split (walk, bike, transit, private vehicle) (collected by TransLink)	44%	NDA	48%	50%	50%
	Result	Number of Traffic Fatalities per Year	14	19	15	14	NDA
		Total # of collisions	45,731	46,152	47,534	NDA	45,000

Parking

- The City sold more than 26,000 annual and short-term residential parking permits (3% growth) this year. Also, 2015 saw the second year of online parking permit sales; approximately 70% of annual permit sales now take place online (up from 60% in 2014).
- Non-coin payment at parking meters continues to grow, largely consisting of mobile payment transactions through PayByPhone (accounting for more than 40% of total

meter revenue). Growth in mobile payment transactions presents opportunities for efficiency and is a driver of compliance at meters — a convenient and feature-rich payment service.

- As the City improves safety measures around intersections with corner bulges and parklets and parking regulation street signage, average ticket values have tapered slightly due to the reduction in high-value tickets from previous violations in these areas.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Parking	Quantity	Revenue from parking permits issued	$942,000	$1,028,000	$1,009,803	$1,065,510	$1,110,000
		# of parking permits issued	23,700	24,500	24,700	25,100	27,000
		Gross # of parking tickets issued	334,512	357,712	332,241	328,622	375,000
		Average Ticket Value	$84.59	$82.51	$82.30	$82.09	$82.00
	Quality	# of tickets voided at initial screening	3.97%	4.30%	4.57%	4.54%	4.60%
		Formal Disputes on issued tickets	1.10%	1.10%	1.30%	1.41%	1.5%
		Tickets adjudicated	0.30%	0.39%	0.30%	0.30%	0.30%
		% Tickets issued Paid during discount period	58.20%	61.52%	64.23%	64.94%	65.00%
		% of all net tickets issued paid or collected by all processes	78.69%	85.50%	86.44%	85.66%	87.00%
	Result	% of Non-Coin Meter Revenue	22%	28%	33%	38%	44%

Street Infrastructure and Maintenance

Metrics for pavement condition were not captured until 2011, and data is now available to assist with future planning and reporting. Pavement condition is currently captured on a three-year basis, while assessment programs for the Major Road Network (MRN) and city arterial and local road networks were completed in 2015.

The 2016 plan is to continue using road condition and maintenance information to optimize lifecycle return on street assets compared to dollars invested. Relative to previous years, forecast 2015 paving outputs have declined slightly as the increased focus on more complicated transportation design projects has required an increase in street restoration funding for design work. Pavement condition data collected for MRN, arterial and local roads rated as ‘good or above’ has performed as expected per the asset management model.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Streets Infrastructure and Maintenance	Quantity	km's of total road network	2,066.3	2,066.7	2,066.7	2,067.8	2,067.8
		Square metres paved in year (2011 and 2012 include paved lanes)	234,972	278,450	234,376	250,101	226,000
		% of MRN road network repaved	2.60%	3.90%	3.86%	2.05%	2.06%
		% of arterial and collector road network repaved	2.10%	2.60%	2.36%	2.61%	2.57%
		% of local road network (including lanes) repaved	1.10%	1.30%	1.03%	1.36%	1.29%
		km of Sidewalk	2,161	2,161	2,162	2,164	2,164
	Quality	Pavement condition of MRN road network rated good or above	72%	NDA	NDA	67%	67%
		Pavement condition of City arterial & collector road network rated good or above	55%	55%	NDA	NDA	55%
		Pavement condition of local road network rated good or above	61%	60%	NDA	NDA	62%
		Pavement condition of local road network bike routes rated good or above (subset of local road network)	70%	68%	NDA	NDA	74%

* MRN condition surveyed on a three-year cycle. Data collected by TransLink in 2014, and provided to the City in 2015.

Street Activities

Metrics around the number of permits for City street use provide useful information for planning and managing different events or street uses, as well as street cleaning and overall garbage collection. Special events – including free-to-attend events (typically neighbourhood events) – remain steady year-over-year. In 2015, street use permits saw an overall increase due to a rise in filming and special event activities.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Street Activities	Quantity	# of permits to use street (film, events, food trucks, patios)	3,137	3,873	4,662	4,860	4,885
	Result	# of "free to attend" permitted street activations	436	360	465	420	420

Street Cleaning Service

- Key operational metrics for street cleaning include frequency of pick-up, tonnes collected and number of 3-1-1 calls received for litter problems and abandoned waste. This information is used to assess, focus and improve services.
- In 2015, Downtown litter bins were emptied three times daily. Service improvements were achieved by introducing multi-purpose trucks, allowing flexibility in performing tasks and reducing equipment needs.
- Continued work with 3-1-1 has resulted in better tracking of hot spots for abandoned garbage, illegal dumping, and litter pick-up requests.
- Continued efforts to address illegal dumping are yielding positive results in cleaning up problem areas and gaining cost recovery on some cleanups. However, the number of cases continues to rise — with anticipated growth of 27% each year.
- Over the past several years, the number of street cleaning-related calls to 3-1-1 has increased. There have been significant increases in abandoned waste, such as furniture banned from disposal (primarily mattresses), with waste dumped at construction sites and on vacant properties. The vacant property calls have involved working jointly with Bylaw Enforcement around property use issues. Street cleaning-related calls have also increased as a transitory effect of implementing a biweekly garbage collection schedule. The dumping of household waste in City park waste bins remains a problem; given the long hot summer months and general increase in the use of public space, 2015 was a particularly challenging year.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Street Cleaning	Quantity	Frequency per day cleaned (litter bins Downtown)	2	3	3	3	3
		# of metric tonnes collected via the fall leaf collection program	4,671	5,192	4,275	5,555	5,500
		# of metric tonnes collected from litter cans	2,702	2,361	2,070	2,445	2,400
		# of metric tonnes collected from abandoned garbage	2,022	2,111	1,900	2,161	2,700
	Quality	# of abandoned garbage and illegal dumping complaints (3-1-1)	7,519	9,390	11,253	12,444	15,800
		# of street cleaning and debris pick up request (3-1-1)	1,731	2,664	3,496	2,671	3,100

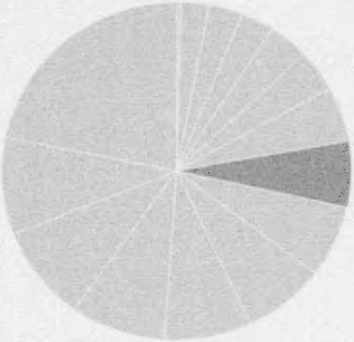
Corporate Equipment Management Service

Since 2011, the City's fleet has decreased by more than 100 units through continued business reviews focused on fleet optimization. The City's commitment is to continue rightsizing its fleet and seeking opportunities to work smarter while optimizing equipment needs.

Replacement decisions have and continue to focus on creating a fleet that will reduce emission levels to support reaching 2020 GHG goals. Since 2007, GHG emissions have been reduced by 11%; the targeted goal is to achieve 30% reduction in GHGs over the 13-year period ending in 2020. The City has also increased the number of units running on alternate fuel sources, including the 29 replacement sanitation trucks running on CNG fuel; these trucks reduce fuel costs, GHGs and particulate emissions.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Corporate Equipment Management	Quantity	# of units in the fleet	1,870	1,840	1,813	1,782	1,770
	Quality	Average age of the fleet (years) - rolling stock only	6.36	6.95	6.93	6.73	6.46
		% alternative fuel vehicles	7.53%	7.87%	9.65%	10.19%	13.00%
	Result	Fleet availability (% uptime)	94.9%	94.9%	93.1%	93.1%	94.0%
		Fleet GHG emissions	16,832	16,127	16,000	15,869	15,200
		% reduction in GHG emissions per year	5.70%	4.20%	0.80%	0.82%	3.80%

2016 BUDGET



Engineering Public Works makes up 6% of the 2016 Operating Budget

Year-over-Year Budget Changes

Major Category ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)
Revenues				
Parking revenue				
Parking permit fees	952	1,102	150	15.8%
Total Parking revenue	**952**	**1,102**	**150**	**15.8%**
Cost recoveries, grants & donations				
Engineering recoveries	1,225	1,223	(2)	(0.2%)
Total Cost recoveries, grants & donations	**1,225**	**1,223**	**(2)**	**(0.2%)**
Other revenue				
Engineering revenue				
Street Maintenance revenue	3,775	3,775	-	-
Street Use revenue	921	921	-	-
Parking Operations revenue	961	1,197	236	24.6%
Other Engineering revenue	247	247	-	-
Total Other revenue	**5,904**	**6,140**	**236**	**4.0%**
Total Revenues	$ 8,081	$ 8,465	$ 384	4.8%
Expenditures & Transfers				
Public Works				
Street Maintenance	23,280	23,120	(160)	(0.7%)
Parking Operations	15,153	15,296	143	0.9%
Street Use	10,047	10,148	101	1.0%
Street-Cleaning	7,319	9,859	2,540	34.7%
Street Lighting	5,616	6,492	877	15.6%
Transportation	3,168	3,248	80	2.5%
General Public Works	1,780	1,635	(145)	(8.2%)
Shared support services	5,859	5,886	27	0.5%
Transfers to / (from) reserves & other funds	1,479	1,474	(5)	(0.3%)
Subtotal Public Works	**73,700**	**77,159**	**3,459**	**4.7%**
Department Services				
Equipment Service Operations	(19,735)	(20,895)	(1,160)	5.9%
Equipment Management Group	904	883	(21)	(2.4%)
Construction Supplies & Services	(1,521)	(1,534)	(13)	0.9%
Operations Safety & Support	1,241	1,456	215	17.3%
Shared support services	1,978	1,984	6	0.3%
Transfers to / (from) reserves & other funds	19,312	20,778	1,467	7.6%
Subtotal Department Services	**2,179**	**2,672**	**493**	**22.6%**
Total Expenditures & Transfers	$ 75,879	$ 79,831	$ 3,952	5.2%
Net Operating Budget	$ (67,798)	$ (71,366)	$ (3,568)	5.3%

Note: Totals may not add due to rounding

Explanation of Changes — Revenue

Total revenues are expected to increase by $0.4 million, primarily due to an increase in external demands for Parking Permits and Decal Fees related to Car Share growth.

Explanation of Changes — Expenditures and Transfers

In 2016, total expenditures are expected to increase overall by $4.0 million, primarily due to: increased investment in street cleaning around public realm cleanliness and recycling opportunities; street lighting electricity costs due to growth in infrastructure and utility costs; and an increase in equipment transfers due to the rollout of new fire trucks. Budget increases have been partially offset by realigning the delivery of City services in street maintenance and overall efficiency gains throughout Public Works, such as reduced equipment maintenance and fuel costs, as the City increasingly converts to newer and more fuel-efficient vehicles.

Notable Capital Projects

The following table summarizes some of the noteworthy projects involving Public Works, or that will begin in 2016. A complete list of all capital projects for 2016 is included in the Council Report Appendixes.

Project Name ($ millions)	Total Project Budget	Forecast 2015 Expenditure	2016 Annual Expenditure Budget	Future Years**
Burrard Bridge Rehabilitation + Burrard Bridge Upgrades	35.0	1.4	16.0	17.5
Vehicles and Equipment Replacement/Additions*	N/A	19.5	12.0	37.4
City Roads Paving*	N/A	6.5	8.7	14.9
Upgrade and expand walking and cycling networks*	N/A	1.7	5.0	8.0
Georgia Dunsmuir Viaduct Removal Phase I	17.2		8.1	12.9
Street Lighting Rehabilitation - Major Roads*	N/A	2.3	3.8	7.5

* Funding for programs approved on annual basis.

** For Programs, reflects forecast amounts for remaining years, 2017-2018, of the 4 year capital plan.

- **Burrard Bridge rehabilitation and upgrades** — The next phase of rehabilitation work will include replacing concrete handrails, sidewalks, street lights and barriers between driving and cycling lanes, as well as implementing means-prevention (suicide) barriers and reintroducing heritage lighting. Other improvements include improved safety at the Burrard/Pacific Street intersection (second-highest collision location in the city), and improved connections to enable people to walk on both sides of the bridge.

- **Vehicles and equipment replacement** — This involves replacing end-of-life equipment and vehicles used by the City, such as litter pickup trucks, construction equipment, fire and rescue vehicles, police patrol cars, pickup trucks and covert vehicles.
- **City road paving** — This involves rehabilitating the City's arterial streets, where major capital restoration work is required to maintain the integrity of the street pavement asset and extend roadway service life. Funding for 2016 is expected to provide for the rehabilitation of approximately eight kilometres of arterial pavement.
- **Upgrade and expand walking and cycling networks** — Initiatives will involve expanding the walking, cycling and greenways networks and improving existing facilities to further enhance safety and comfort — particularly in the downtown core. The 2016 Active Transportation program will focus on new and improved walking and cycling infrastructure, including South False Creek Seawall walking and cycling improvements, SW Marine Drive cycling improvements and citywide cycling spot improvements. Consultation and design exploration will begin on upgrades to 10th Avenue, the Seaside Greenway on Point Grey Road, Cambie Bridge, and the Downtown bike lane network.
- **Georgia Dunsmuir Viaducts Removal Project Phase I** — The first phase of the Georgia Dunsmuir Viaduct Removal will complete the detailed planning, design, and necessary agreements to advance removal of the viaducts, develop the remaining Northeast False Creek lands and future parks and open spaces. Phase I is expected to cost $21 million over two years with $17.2 million approval required to advance the project in 2016.
- **Street lighting rehabilitation, major roads** — The scope of work includes replacing street lighting conduit, rusty poles, trolley poles, communications conduit and communications cable, as well as identifying and remediating asbestos. Program objectives aim to ensure the existing Street Lighting plant is upgraded and maintained to a level that provides safe and effective operation to meet the needs of the City and its residents.

Budget Trend

Major Category ($000)	2012 Approved Budget	2013 Approved Budget	2014 Approved Budget	2015 Restated Budget	2016 Proposed Budget
Revenues					
Parking revenue					
Parking permit fees	805	952	952	952	1,102
Total Parking revenue	**805**	**952**	**952**	**952**	**1,102**
Cost recoveries, grants & donations					
Engineering recoveries	1,206	1,206	1,206	1,225	1,223
Total Cost recoveries, grants & donations	**1,206**	**1,206**	**1,206**	**1,225**	**1,223**
Other revenue					
Engineering revenue					
Street Maintenance revenue	3,382	3,382	3,382	3,775	3,775
Street Use revenue	1,120	1,120	1,120	921	921
Parking Operations revenue	961	961	961	961	1,197
Other Engineering revenue	154	154	154	247	247
Total Other revenue	**5,616**	**5,616**	**5,616**	**5,904**	**6,140**
Total Revenues	$ 7,628	$ 7,775	$ 7,775	$ 8,081	8,465
Expenditures & Transfers					
Public Works					
Street Maintenance	23,556	23,582	23,578	23,280	23,120
Parking Operations	14,042	14,927	15,365	15,153	15,296
Street Use	8,759	8,909	9,677	10,047	10,148
Street-Cleaning	7,430	7,004	7,288	7,319	9,859
Street Lighting	4,969	5,017	5,221	5,616	6,492
Transportation	3,454	3,271	3,224	3,168	3,248
General Public Works	2,909	2,972	2,060	1,780	1,635
Shared support services	114	114	119	5,859	5,886
Transfers to / (from) reserves & other funds	2,329	2,140	1,819	1,479	1,474
Subtotal Public Works	**67,565**	**67,936**	**68,350**	**73,700**	**77,159**
Department Services					
Equipment Service Operations	(18,544)	(18,627)	(19,313)	(19,735)	(20,895)
Equipment Management Group	1,101	1,105	938	904	883
Construction Supplies & Services	(1,664)	(1,652)	(1,497)	(1,521)	(1,534)
Operations Safety & Support	1,594	1,565	1,766	1,241	1,456
Shared support services	107	107	111	1,978	1,984
Transfers to / (from) reserves & other funds	20,467	20,467	21,098	19,312	20,778
Subtotal Department Services	**3,060**	**2,966**	**3,103**	**2,179**	**2,672**
Total Expenditures & Transfers	$ 70,625	$ 70,902	$ 71,454	$ 75,879	$ 79,831
Net Operating Budget	$ (62,997)	$ (63,127)	$ (63,679)	$ (67,798)	$ (71,366)

Capital Budget ($ million)	$ 74.1	$ 91.6	$ 90.5	$ 69.3	$ 99.0

Note: Totals may not add due to rounding

Since 2012, Public Works expenditures have been increasing, primarily due to inflationary increases and utility costs. Other increases have stemmed from new initiatives; street use, especially, has included more street events and community gardens. These have been offset, in part, by realigning how services are delivered by the City, as well as realizing efficiencies – including equipment-related cost savings.

Revenues have been increasing largely due to increased contributions from external parties, including developers, as a result of street repairs and other tasks performed by City crews.

Employee Trend Tables

Engineering Public Works	2011	2012	2013	2014	2015F
Regular Full-Time Staff	1,064.0	1,034.0	1,023.0	1,000.0	998.9
All Staff (including Part-time, Temporary and Auxiliary) Full-Time Equivalents*	1,161.7	1,128.4	1,129.9	1,085.5	1,093.8

*excluding overtime

The following two tables provide further detail on the employee trends for two of the larger Engineering Public Works areas: Transportation and Streets.

Engineering Transportation	2011	2012	2013	2014	2015F
Regular Full-Time Staff	62.0	58.0	60.0	60.0	69.9
All Staff (including Part-time, Temporary and Auxiliary) Full-Time Equivalents*	70.7	71.4	82.3	85.8	98.4

*excluding overtime

Engineering Streets	2011	2012	2013	2014	2015F
Regular Full-Time Staff	560.0	566.0	558.0	540.0	533.3
All Staff (including Part-time, Temporary and Auxiliary) Full-Time Equivalents*	620.7	597.7	595.3	572.8	562.8

*excluding overtime

Throughout 2015, there were temporary vacancies in Streets due to the fluctuating needs of the outside workforce and the timing of training. The increase in Transportation staffing levels is due to branch realignment in the division to include Film and Special Events.

COMMUNITY SERVICES

Community Services focuses on how people live and interact to create a healthy city for all, where everyone has a home and access to basic needs, nutritious food, services they require and opportunities to contribute and feel a sense of belonging.

Through integrated and innovative approaches, Community Services engages partners and collaborates across City departments and with a wide range of external stakeholders to provide services that:

- Enable the building of affordable housing, childcare spaces and vibrant cultural spaces to balance services and needs across neighbourhoods;
- Leverage funds and programs through grants supporting non-profit sector organizations and the City in operating the Carnegie and Gathering Place community centres, and the Evelyne Saller Centre to serve Vancouver's most vulnerable residents; and,
- Licence businesses, inspect properties and administer animal services to help keep residents safe.

Community Services is driven by: changing demographics in the community; funding trends of other levels of government; evolving opportunities for partnerships with private foundations and non-profit sectors; the volatility of local and global economies (especially in relation to the cost of nutritious food); and the availability of affordable housing and services.

KEY SERVICES DELIVERED

Social Policy — Develop and implement policy and programs to implement the Healthy City Strategy and plan for social amenities, including childcare spaces and social grants.

Cultural Services — Allocate grants and creative spaces to cultural organizations, administer civic and private sector public art programs and operate three civic theatres.

Housing Policy and Projects — Develop and implement housing policy and create projects and programs to enable new affordable housing.

Housing Operations — Operate City-owned social housing that provides support to residents and assist them in accessing health and other community supports; provide support to the City's most marginalized citizens at social services hubs.

Services for the Homeless — Develop and implement programs from the Carnegie Centre, Evelyn Saller Centre and The Gathering Place to support the 2012-2021 Housing and Homelessness Strategy.

Property Use Inspections — Inspect, regulate and enforce property use, noise and graffiti issues with a focus on community fit and quality of life.

Business Licensing — Regulate businesses and manage licensing.

Animal Services — Administer the sale of dog licences, deal with stray and aggressive dogs and operate the animal shelter.

Mountain View Cemetery — Provide services for the burial of caskets and cremated remains, related grounds maintenance, management of green spaces and community memorial events.

SOCIAL POLICY AND PROJECTS

Social Policy leads the Healthy City Strategy, the City's long-term plan for social sustainability and well-being for all Vancouverites. This strategy includes 13 aspirational, mid-term, 10-year goals and targets the City cannot achieve on its own. Success depends on all City departments, senior governments and a wide range of stakeholders and residents working towards these goals and targets to create a "healthy city for all." Implementation is guided through a Healthy City Secretariat that includes a 30-member Healthy City for All Leadership Table with representation across sectors, an interdepartmental staff team and a Memorandum of Understanding (MOU) with the City's key partner — Vancouver Coastal Health (VCH).

Social Policy's key functions enable the success of the Healthy City Strategy and include:

- Coordinating the Healthy City Secretariat;
- Identifying social trends and indicators;
- Coordinating strategic initiatives to address emerging trends;
- Planning and social amenities, including childcare and other social services; and,
- Providing social grants in partnership with the non-profit sector to support the needs of vulnerable populations.

MAJOR ACCOMPLISHMENTS IN 2015

One of this year's key accomplishments was receiving Council approval for the first four-year action plan for the Healthy City Strategy. While all Council-approved initiatives will contribute toward the Healthy City Strategy goals and targets (such as the Housing and Homelessness Strategy 2012-2021, the Transportation 2040 Plan and various community plans) the Healthy City Strategy action plan specifies 19 additional priority actions with a commitment to report back on progress in 2017.

Other accomplishments in 2015 included:

- Receiving the Planning Institute of BC Gold Award in recognition of the Healthy City Strategy as an innovation in City building and planning for people;
- Developing priority recommendations and implementing actions of the Mayor's Task Force on Mental Health and Addictions Phase I report, that includes:
  - a system-wide collective impact partnership;
  - Aboriginal healing and wellness approaches;

  - a collective impact approach to better support youth leaving government care;
  - a forum on gender analysis to inform the Task Force moving forward, and,
  - a peer support leadership table and advocacy strategies to address stigma;
- Implementing the first phase of the Downtown Eastside (DTES) Community Economic Development Strategy, which includes safe and legal opportunities for low-income residents to vend and earn income;
- Completing Sex Work Response Guidelines for City staff, part of the City's response to recommendations made by the Missing Women Commission of Inquiry. Based on a human rights approach, the guidelines are a first-of-their-kind in Canada and will guide staff interactions with sex workers while supporting a balanced approach toward the safety needs of sex workers and communities;
- Continuing the Vancouver Immigration Partnership, a two-year initiative involving the City, the federal government and 100 community partners, in partnership with the Mayor's Working Group on Immigration, which has included:
  - Documenting research and input from a workshop on the creation of Sanctuary City policy, whereby individuals without immigration status can access City services without fear;
  - Developing an approach to apologizing for discrimination faced by Chinese citizens – in partnership with the Mayor's Working Group on Immigration and other partners.
  - Holding a public information session in September to better understand the Syrian and global refugee crisis which drew interest from more than 600 individuals;
- Working towards childcare targets – The Province of British Columbia provided a $1.0 million dollar grant toward a partnership with the Vancouver School Board (VSB) that will include childcare for children aged 0-5 – part of the rebuilding of Lord Nelson Elementary School as well as one other elementary school;
- Administering more than $7.0 million in social grants to more than 200 organizations. These included a successful partnership between the City and the Community Action Initiative Fund of BC to scale up social enterprise. Vancouver Native Health Society is providing skills development opportunities, including local traditional farming and 3H Craftworks to expand opportunities for women struggling with mental health and physical disabilities so they can gain meaningful employment;
- Creating a City food policy video – "What Feeds Us: How Food Fuels a Healthy City" received an unprecedented number of views in the first week of its posting online (500,000 views). Since then, the City of Milan and other international cities have distributed this video, demonstrating the City's leadership in developing and advancing food policy; and,
- Facilitating the creation of community gardens, initiating the development of an urban farming policy and beginning work, in partnership with the Vancouver School Board (VSB), to expand the school food program for hungry children from low-income families.

PLANS FOR 2016

In 2016, plans include:

- Coordinating the Healthy City Secretariat;
- Developing a Healthy City dashboard to monitor and report progress of health and well-being of the city residents;
- Supporting City departments in implementing priority four-year action plan initiatives of the Healthy City Strategy;
- Building on the success of the gender forum (held in 2015) and related civic initiatives to integrate a gender lens into City initiatives as part of the Healthy City Strategy;
- Leading key initiatives, including the Mayor's Task Force on Mental Health and Addictions, the DTES Community Economic Development Strategy, the Vancouver Immigration Partnership, a poverty reduction strategy, and collective impact tables on social connections in partnership with key stakeholders;
- Leading and implementing Vancouver Food Strategy actions (including urban farming policy) and enhancing inner-city school meal programs in partnership with the Vancouver School Board and other partners; and,
- Supporting, as a City of Reconciliation, implementation of healing and wellness approaches and policy to enable access to City services for refugees, reporting back to Mayor and Council on the steps to be taken to formalize an apology to Chinese Canadians;
- Continuing efforts to create 1,000 additional childcare spaces by 2018;
- Developing and implementing a citywide priorities plan for social amenities to ensure accessible social facilities across Vancouver, including more flexible ways of using schools and City properties to further accommodate community use (such as evening programs, childcare, seniors' services); and,
- Completing the development of a grants database system and continuing to enable social innovation through granting, partnerships and community economic development initiatives.

DEPARTMENT SERVICE METRICS

The number of childcare spaces opened each year depends on various factors, including funding, timing of developments and occupancy permits and other opportunities. Going forward, the City's target is to create 1,000 new spaces for children aged 0-12 years from 2015-2018 through partnership with the VSB, development contributions and capital.

The significant increase in the total number of participants engaged is due to the City's, "What Feeds Us: How Food Fuels a Healthy City," which received an unprecedented number of views in the first week of being posted online (500,000 views), with approximately two million people reached.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Social Policy Planning	Quantity	Cumulative # new childcare spaces enabled by the City	2,935	3,153	3,227	3,626	3,850
		# City enabled childcare City spaces opened per year	44	153	74	275	224
		Total # of licensed childcare spaces in Vancouver	10,731	11,567	11,906	12,144	12,544
		Total # of childcare grants	70	69	73	73	70
		% of total childcare spaces enabled by the City	27%	27%	27%	30%	31%
		Total # of community gardens	3,675	4,021	4,166	4,398	4,450
		# of Farmers' Markets	9	10	11	11	13
		# of Food Networks supported	9	11	10	10	10
		# Organizations supported by social policy grants	119	102	118	109	128
		Total social grant $'s awarded ($ millions)	$6.5	$6.6	$6.2	$6.1	$6.2
		# of social policy plans under development/implementation	16	16	18	22	25
	Quality	Total # of participants and organizations for major projects, consultations or engagement activities	127,671	378,569	270,040	154,285	2,053,433
		Total # of organizations supported by childcare grants	40	39	44	30	29
	Result	Total $ leveraged with social policy grants ($ millions)	$33.2M	$32.1M	$34.4M	$26.1M	$26.5M

CULTURAL SERVICES

Cultural Services plays a lead role in shaping the City's arts and cultural economy to ensure residents and visitors have access to a wide variety of activities and experiences. As outlined in the Culture Plan, the City's vision for arts and culture includes supporting a diverse and thriving cultural ecology by providing robust support programs for local arts and cultural activities. Key services include:

- Allocating grants and enabling affordable creative spaces;
- Administering civic and private sector and public art programs;
- Operating four civic theatre venues: The Orpheum, the Queen Elizabeth Theatre, The Annex and the Vancouver Playhouse; and,
- Managing other culture-related projects, such as the annual Mayor's Arts Awards.

Cultural Services also oversees of City-owned facilities, including those that steward the City's cultural assets such as the Museum of Vancouver, the Vancouver Art Gallery and the Vancouver East Cultural Centre.

MAJOR ACCOMPLISHMENTS IN 2015

In 2015, the City continued implementing updated key strategic directions from the City's Culture Plan. Accomplishments included:

- Completing and opening three cultural amenity spaces, including: The Post at 750, a new 8,500-square-foot space shared by four arts and cultural non-profits in the Canadian Broadcasting Corporation (CBC) building on Hamilton Street; and the BMO Theatre Centre, a 48,000 square-foot facility on West 1st Avenue;
- Supporting the Vancouver Art Gallery on design development for a new and expanded facility at the City-owned site at 688 Cambie Street;
- Developing new resources to assess and assist capacity-building in the not-for-profit cultural sector;
- Reviewing and improving the Community Arts Grants program and creating a stream for community-initiated public art projects;
- Establishing a $2.0 million Cultural Tourism Reserve and establishing the foundation for Canada 150 events and celebrations in 2017, in concert with an application to the federal department of Canadian Heritage's Canada 150th Fund;
- Collaborating with the Social Purpose Real Estate Collaborative in delivering the Building Opportunities 2015 Social Purpose Real Estate Conference;
- Completing 10 major private sector public artworks;
- Revising revenue-generating contracts and opportunities for the Vancouver Civic Theatres' (VCT) including parking; food and beverage; royalties from ticketing companies; and leases, as well as addressing better recovery of expenses — all with the objective of realizing significant revenue increases from City-owned facilities;

- Implementing new, not-for-profit rental rates for VCTs to encourage diversity of user groups and increase venue use by providing affordable spaces to the community; and,
- Upgrading a new technological platform for VCTs (Wi-Fi, website, digital signage and a booking system) and planning for point-of-sale (POS) implementation in 2016.

PLANS FOR 2016

In 2016, the City's plans include:

- Celebrating 25 years of the Public Art Program with a Contract for the First Signature artwork project Symposia, talks and tours, public engagement through social media and more;
- Completing and launching nə́c̓aʔmat ct at Strathcona Library artwork and Home and Away in Hastings Park;
- Completing site planning for significant artworks and exploring the feasibility of a possible sculpture park;
- Procuring a permanent grant management system to streamline applications and make more holistic and flexible for users;
- Undertaking a review of the Cultural Infrastructure Grant program and revising guidelines, application forms and data collection to synchronize with other data sources and grant programs;
- Working with the Museum of Vancouver, the Maritime Museum, and the HR MacMillan Space Centre to assist them in optimizing long-term strategies, operating more efficiently and effectively and transforming each into prime tourism destination sites;
- Continue working with the Vancouver Art Gallery on its plans for a new and expanded facility;
- Planning for celebrations of Canada's 150th anniversary in 2017;
- Assisting with completion of a site Master Plan for the Vancouver Maritime Museum; renovations to the Green House at the Vancouver East Cultural Centre campus, and renovations to cultural spaces in the Woodward's Complex;
- Completing the "Update to Key Gaps in Cultural Infrastructure" and undertaking/implementing "New Tools for Preserving and Supporting Cultural Facilities;"
- Implementing sales strategies at Vancouver Civic Theatres' with the goal of increasing venue use and revenues, and activating spaces in new partnerships
- Activating a restaurant at the VCTs;
- Beginning community engagement programs and animating the Queen Elizabeth Theatre Plaza; and,
- Implementing POS equipment at the VCTs.

DEPARTMENT SERVICE METRICS

Minor increases to the Operating and Project Grant budget projected for 2016 reflect approximately a 2% inflationary increase. The major focus from 2016-2020 will be to support the arts and cultural community through capacity-building and aiding in the creation/sustenance of healthy cultural organizations. Information, assistance, services and tools continue to be provided to cultural organizations.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Cultural Services	Quantity	Grant $'s awarded to cultural organizations ($ millions)	$7.3	$7.8	$8.0	$8.2	$8.4
		# of organizations supported by cultural grants	194	220	225	235	240
		Theatre rental grant $'s awarded ($ millions)	$2.6	$2.3	$2.6	$2.6	$2.6
		# of organizations receiving theatre rental grants	21	21	45	46	45
	Quality	Utilization rate for Civic theatres hours (available/hours rented)	77.8%	72.0%	71.0%	71.0%	72.0%
	Result	Annual Attendance at Civic theatres	610,584	573,633	564,488	565,000	570,000

HOUSING POLICY AND PROJECTS

As a growing and diverse city, increasing the availability and range of affordable housing choices for residents is critical to Vancouver's social, environmental and economic health. Many individuals and families are experiencing housing affordability pressures, both in rental and ownership housing, which is challenging their ability to live and work in Vancouver. The Housing Policy and Projects division develops strategy and policy to create more affordable housing options in Vancouver through the Vancouver Housing Initiative and the 2012-2021 Housing and Homelessness Strategy. This strategy focuses on the City's priorities to end street homelessness and enable development of new affordable housing, in partnership with provincial, private sector and non-profit partners. It has three strategic directions:

1. Increase the availability of affordable housing;
2. Encourage a housing mix across all neighbourhoods that enhances quality of life; and,
3. Provide strong leadership and support partners to enhance housing stability.

MAJOR ACCOMPLISHMENTS IN 2015

The 2015-2018 Capital Plan earmarked a strategic investment of $125.0 million in affordable housing. Through policies and partnerships, the City has leveraged almost 10,000 new affordable housing units geared toward low- and moderate-income households, ranging from supportive and social housing to secured market rental, laneway housing and secondary suites.

Market Rental

A key success in recent years has been the increase in new market rental units being initiated and built by the private sector as a result of new City policy and incentives. For instance, between 2005 and 2009, prior to the introduction of the Short-term Incentives for Rental (STIR) program and more recently Rental 100, only 5% of housing starts in Vancouver consisted of rental units; now nearly 20% of total housing starts are rental. The City also delivers around half the region's market rental units. The result has been more than 3,700 new units of market rental housing being committed since 2010 – almost 1,000 of which have been completed and occupied, with another 1,500 units under construction. In 2015, nearly 800 units have been approved to date. In addition, the City has approved approximately 2,800 secondary suites and laneway houses since 2012, with more than 400 units approved in 2015; all add to the complement of affordable rental capacity across the city.

To encourage more family rental units, Council amended the Development Cost Levy (DCL) bylaws in June 2015 to allow DCL waivers for eligible three-bedroom rental units, making inclusion in rental developments more viable. This will provide more options for young professionals and families in Vancouver who rent and need more space as their families grow.

Vancouver Affordable Housing Agency

In June 2014, Council created the Vancouver Affordable Housing Agency (VAHA) with a mandate to enable 500 affordable housing units by 2017 and 2,500 units by 2021 through innovative partnerships with non-profit housing partners, developers and senior levels of government. VAHA is a legally separate, City-controlled entity created to implement one of the critical recommendations from the Mayor's Task Force on Housing Affordability. In 2015, VAHA completed recruiting its Board of Directors. Through the Board the VAHA brought forward a development plan, selecting 12 City-owned and optioned sites to deliver more than 1,000 housing units over the next few years – with Phase I development in the River District, Downtown Eastside and Kensington-Cedar Cottage. Two additional sites have also been acquired for future development (55-95 and 115 SW Marine Drive and 501 Powell Street).

VAHA will work to drive affordability though development, economies of scale, partner equity and low-cost financing. A Request for Qualifications for construction partners earlier this year has generated considerable response. VAHA has also procured external consultancy to research the vacant home issue, and plans to report to Council in early 2016. The creation of VAHA will significantly expedite delivery of more affordable housing for residents struggling to find affordable housing options in Vancouver.

Non-market Housing

In 2015, a number of projects have been enabled through strategic partnerships with the City's housing partners:

- nə́c̓aʔmat ct Strathcona Vancouver Public Library/YWCA project, currently under construction, will create 21 units for low-income single mothers;
- the Fire Hall No. 5/YWCA project has recently received approval to create 31 units for low-income single mothers; and,

- the Community Land Trust project is commencing construction in fall 2015 to create 358 units on four City-owned sites, targeting low- to moderate-income households, seniors and singles.

In addition, through the implementation of various community plans, the City continues securing affordable housing units through inclusionary zoning policies and community amenity contributions (CACs) from rezoning. As a result of the community plans, there is growing interest from developers in partnering with the City and other non-profit housing operators to deliver social housing in the Downtown Eastside and West End neighbourhoods.

Supportive Housing and Support to the Homeless

Since 2010, under the Memorandum of Understanding between the City of Vancouver and BC Housing, and with significant contributions from the Streetohome Foundation, approximately 1,500 new supportive housing units for the homeless have been constructed and tenanted. In 2015, more than 200 units enabled through partnerships with BC Housing, non-profit housing providers and charitable foundations were completed:

- Tenanting of the City-owned Taylor Manor to a 56-unit supportive housing building serving homeless individuals with mental illness; and,
- A 147-unit supportive housing project at 606 Powell Street/220 Princess Avenue for women and families needing support.

Single Room Occupancy Hotels

Single Room Occupancy (SRO) hotels are a vital but outdated part of Vancouver's housing supply. For many vulnerable citizens, SROs are often the last resort before homelessness. The Downtown Eastside Community Plan, adopted in 2014, included actions to improve SRO liveability while minimizing room loss and maintaining affordability. In July 2015, Council earmarked $2.0 million to leverage partner funding to support private SRO upgrades and maintain affordability. It also amended the Single Room Accommodation (SRA) Bylaw to:

- increase the amount Council can attach to an SRA permit for the permanent removal of an SRO from the SRA Bylaw from $15,000 to $125,000 to fund replacement housing; and,
- require all repairs involving tenant relocation to obtain an SRA conversion permit.

For non-profit SROs, a $5,000-per-door grant is available to help fund necessary upgrades. In 2015, Council approved $530,000 to renovate the Murray Hotel (1119 Hornby Street) to improve liveability in 106 units, and $180,000 to renovate the Asia Hotel (137-139 East Pender Street) to upgrade 36 units — with one-third of the units in both projects to be rented at shelter rates.

Vancouver Rent Bank

In May 2015, Council approved additional grants to extend operation of the Vancouver Rent Bank (VRB) through June 2017. The VRB offers short-term, interest-free loans to low-income individuals and families in temporary financial crisis and at risk of eviction or essential utility disconnection. It also provides financial counselling, advocacy and referrals to other services.

Rental Standards Database
The City continues refining the Rental Standards Database to motivate landlords to maintain their rental buildings and help renters understand the building conditions and outstanding health and safety bylaw violations, to make more informed decisions about where to live.

Interim Housing
In 2015, the City enabled 257 units through leases and grants, and provincial rental allowances, all operated by the Community Builders Foundation. This included:

- Converting the Quality Inn (1335 Howe Street) to a two-year, 157-unit interim housing project; and,
- Re-opening the Bosman Hotel (1060 Howe Street) as a five-year, 100-unit interim housing project named Metson Rooms.

Other accomplishments

- Commenced a review of existing rental housing protection regulations and worked with the Renters Advisory Committee on possible improvements and amendments to the *Residential Tenancy Act*;
- Continued developing community partnerships to ensure inclusion of housing options for low- and moderate-income tenants in all neighbourhoods, and working to mitigate issues associated with tenant relocation due to development;
- Advanced the framework for review of ground leases for non-profit housing developments on City land;
- Supported regional action to enable more affordable housing by actively supporting Metro Vancouver on updating the Regional Affordable Housing Strategy as a key avenue to increase the amount of affordable housing across the whole region; and supported the Metro Vancouver Aboriginal Council to develop a Regional Aboriginal Housing Strategy; and,
- Began developing on a new procurement framework for selecting non-profit housing operators for social housing units delivered to the City.

PLANS FOR 2016

Major targets in the City's 2015-2018 Capital Plan include delivering 2,550 new, affordable social and supportive housing units; maintaining and renewing existing City-owned social housing units; and providing capital grants for SRO upgrades with a City investment of $125.0 million.

- Developing partnerships and exploring all necessary options to deliver social and supportive housing including:
    - Pursuing new working arrangements with BC Housing as a follow-up to the 14 City sites partnership; and,
    - Exploring ways that a new supportive housing program can be delivered to meet identified needs.

- Streamlining the procurement process for selecting housing operators for City-owned affordable housing units;
- Developing a coordinated tenanting database in partnership with provincial, non-profit and co-operative (co-op) partners;
- Approving and implementing a new Affordable Homeownership Policy enabling first-time home buyers to enter homeownership and remain in Vancouver, relieving pressure on the rental market;
- Improving data collection and market analysis tools to better understand the dynamics of the housing market, and develop partnerships with other research and data organizations;
- Implementing a decision-making framework for land lease extensions and renewals for co-ops and non-profit housing organizations on City land;
- Completing a review of existing rental housing protection regulations;
- Ongoing implementation of housing policies in recently approved community plans, and finalizing housing policies within new community plans (such as the Grandview-Woodlands Community Plan);
- Continue monitoring, maintaining, improving and replacing SROs using tools such as the SRO Bylaw and grants, consistent with approval of the SRO Strategy;
- Continuing rental incentives to maximize delivery of secured market rental housing;
- Placing additional focus on affordable family housing options and policies to incent the creation of more affordable family housing;
- Continuing to demonstrate the high need for welfare-rate housing and affordable food and social amenities in Vancouver; and,
- Following initial report-back on vacant units in early 2016, as well as following up on implementation of recommendations and actions approved by City Council.

DEPARTMENT SERVICE METRICS

The City continues to see interest in the delivery of secured market rental housing, with more than 100 new units opened in 2015 and more than 500 units committed. The City has surpassed the 2015 target and is more than 80% toward meeting its 10-year target. There has also been steady activity in the area of secondary suite creation and laneway housing.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Housing Policy	Quantity	Supportive Housing Units committed	39	104	52	0	0
		Social Housing Units committed	223	468	291	630	41
		Secured Market Rental Units committed	589	1,030	1103	1016	798
		Permits Issued for Suites per year	516	442	480	486	400
		Permits Issued for Laneway houses per year	229	350	345	373	400
	Quality	Supportive Housing Units opened	495	318	257	439	147
		Social Housing Units opened	0	25	23	15	110
		Secured Market Rental Units opened	28	182	241	392	138

HOUSING OPERATIONS

Housing Operations provides housing in 10 City-owned or operated social housing facilities for low-income individuals or families facing multiple barriers. Support is provided to assist residents in accessing health and other community assistance programs.

Social supports and programs are provided to the City's most marginalized citizens at three City-operated community centres: the Carnegie and Gathering Place community centres and the Evelyne Saller Centre. They provide a range of services including nutritious food, bathing and laundering facilities, health, education and access to community supports (such as cultural and recreational activities). Ongoing funding from BC Housing has been secured for key components of services at Evelyne Saller Centre and The Gathering Place.

MAJOR ACCOMPLISHMENTS IN 2015

- **Housing Operations initiated a process to review issues associated with non-profit housing organizations that operate housing on City-leased lands; and**
- **The Gathering Place was used as an emergency response shelter space for tenants temporarily relocated from the 1335 Howe Street facility during a severe windstorm and subsequent power outage in August. During the storm, Housing Operations staff were on-hand to support emergency response.**

PLANS FOR 2016

- **Begin the design process for redevelopment of Roddan Lodge and Evelyne Saller Centre, City-operated facilities in need of replacement;**
- **Identify options to replace units at Central/Alexander residences as they are aging and inefficient buildings;**

- Continue securing BC Housing funding and pursuing other partnership opportunities to sustain the 851 City-operated social housing units; and,
- Advance the framework for reviewing ground leases for non-profit housing developments on City land.

DEPARTMENT SERVICE METRICS

The City-owned and operated social housing stock is aging, with an increasing number of building deficiencies requiring capital investments to maintain or improve liveability. This, together with the need to maintain rents at an affordable level for lower-income residents, puts pressure on capital and operating budgets. Turnover and vacancy rates represent the norm for residents moving between SRO housing options, into long-term care for seniors or other rental housing.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Housing Operations	Quantity	Direct COV Operations - Number of Units	837	837	837	851	851
		Peer Hours in Community Employment	2500	2500	3000	2780	2784
		Total meals served at three Centres (Carnegie, Evelyn Saller, Gathering Place)	617,065	612,700	655,460	735,855	735,855
		Total showers, or personal care services (haircuts, louse treatments, etc.)	49,141	50,603	79,009	77,906	77,806
	Quality	Direct COV Operations - Vacancy Rate	3%	4%	6%	2%	5%
		Direct COV Operations - Turnover Rate	19%	18%	15%	15%	15%

SERVICES FOR THE HOMELESS

MAJOR ACCOMPLISHMENTS IN 2015

The City remains committed to solving street homelessness. The annual homeless count helps assess and recalibrate demand for shelters and supportive services. Drivers of homelessness include discharge rates of patients leaving hospitals, inmates released from correctional institutions and youth leaving the foster care system with no fixed address. As well, delays in developing permanent supportive housing and inadequate low-barrier shelters and interim housing, often used to transition homeless into permanent housing, put further pressure on the system. The 2015 Homeless Count indicated that street homelessness has stabilized relative to 2014, at 1,746 (1,258 sheltered homeless and 488 unsheltered homeless). This is a result of the significant investment in and opening of purpose-built supportive housing and ensuring shelter capacity exists for those wanting to move in.

The City provides direct services to the homeless, including outreach and support to assist individuals in finding and maintaining their housing.

The Carnegie Homeless Outreach Team — which, since 2007, has provided aid and housing to homeless or those at risk of being homeless, mostly in the Downtown Eastside (DTES) — was expanded in 2015 to provide services citywide. To ensure those with high needs are placed in housing with appropriate supports, members of the Outreach Team complete vulnerability assessments with all winter shelter residents. In late 2015 it is expected winter shelters will be opened by BC Housing, with support from the City and its Homeless Outreach Team.

A Vulnerability Assessment Tool (VAT) was developed by the DESC (Downtown Emergency Service Center) in Seattle, Washington. It uses a structured interview to assess 10 domains as follows:

1. Survival skills
2. Basic needs
3. Indicated mortality risks
4. Medical risks
5. Organization/Orientation
6. Mental health
7. Substance use
8. Communication
9. Social behaviours
10. Homelessness

By rating a person's level of functioning or severity of condition across these 10 domains, a comprehensive assessment of vulnerability can be reached and then compared with vulnerability assessments of other people experiencing homelessness. The assessment process entails a structured interview followed by completion of the rating scales.

The tool is designed for use by service workers accustomed to interacting directly with individuals experiencing homelessness, with training required to ensure reliable application of the tool. Once a community of individuals experiencing homelessness have been assessed, those with the highest scores are considered at highest risk and can be prioritized for services.

In 2015, the team:

- Found housing for approximately 700 people. Of these community members, 82% remained housed after six months. Annually, the team provides housing, income and health referrals to approximately 1,900 people. Two-thirds, or 1,300 of those individuals, are new clients;
- Saw its outreach role expanded to support street and sheltered homeless in transitioning from shelters and interim housing to permanent housing.

Also:

- The Outreach Team supports residents of winter shelters and interim housing by working to serve their needs and supporting residents' efforts to move to more permanent housing;
- The City provided $43,000 in Homeless Action Week grants to community-based organizations for services to the homeless ;
- In February, Council approved $125,000 for the Streetohome Foundation, providing continued support to the Foundation's efforts to implement the City's 2012-2021 Housing and Homelessness Strategy; and,
- In May, Council approved a $99,200 contribution to support the Rent Bank in continuing to provide short-term, emergency financial assistance to prevent those in need from falling into homelessness.

The table below shows more than 500 homeless individuals were housed in new or incremental units between March 2014 and March 2015. Though room capacity in 2015 was reduced by 68 units due to BC Housing renovations, the City enabled 257 units of interim housing through leases, grants and provincial rental allowances – all operated by Community Builders (1335 Howe and 1060 Howe streets).

Housing for Homeless: Change between March 2014 and March 2015

Category	Sites	Incremental Units	Housing for Homeless
Supportive Housing Units: BC Housing and City of Vancouver 2007 MOU	1134 Burrard Street; 111 Princess Avenue; 2465 Fraser Street	383	301
Non-MOU Supportive/ Non-Market Housing Units	Kingsway Continental; Taylor Manor Inn	66	41
Interim Housing Units	3475 East Hasting Street; 395 Kingsway; 1335 Howe Street; 1060 Howe Street	199	149
Winter Shelter Beds	900 Pacific Avenue; 1647 East Pender Street; Salvation Army Winter Shelter	35 (Beds)	35 (Beds)
BC Housing SPO P3	Reduction in room capacity due to ongoing renovation	-68	-68
Total New Capacity		615	458

PLANS FOR 2016

In 2016, the City plans to:

- Continue working with senior governments and non-profit partners to better coordinate and secure shelter, interim and permanent housing options for the homeless;
- Develop interim housing options while more permanent facilities are created for street homeless
- Find housing capacity, through the efforts of the Homeless Outreach Team, for street and sheltered homeless; the Outreach Team, with other service providers, will continue providing direct outreach and support to move people out of homelessness and help others maintain their housing;
- Along with other service providers, the Outreach Team will continue using the Vulnerability Assessment Tool to determine which housing options are best for people and what support they need to successfully maintain housing;
- Continue working with neighbours to address concerns regarding neighbourhood shelters and interim housing;
- Implement a pilot project with provincial partners to create more housing flow that will deliver increased housing options for street and sheltered homeless while ensuring individuals are appropriately housed;
- Increase the ability of Vancouver's homeless to remain in renovated SROs or be able to access other rental situations, such as rent supplements, income assistance or more supportive housing in new buildings;
- Develop, with non-profit organizations and community business partners, opportunities for low-barrier employment to minimize street activity; and,
- Increase grant funding for community groups delivering activities for Homelessness Action Week.

DEPARTMENT SERVICE METRICS

Conducted in March 2015, the annual homeless count indicated street homelessness has stabilized in the city (relative to 2014) at 1,746 (1,258 sheltered homeless and 488 unsheltered homeless). This is a result of the significant investment in and opening of purpose-built supportive housing, and trying to ensure sufficient shelter capacity exists for those street homeless wanting to move off the street.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Services for the Homeless	Quantity	# of street homeless per annual count	154	306	273	536	488
		# of total homeless (street and sheltered)	1,581	1,602	1600	1803	1746

The following table shows the City's progress towards meeting its targets for units of supportive and social housing by 2018 and 2021.

Ending Homelessness			Rental Housing		
Street & Sheltered Homeless	Housing Targets	Supportive Housing	Social Housing	Secured Market Rental	Suites & Laneway Housing
There were 488 street homeless counted in March 2015	Percentage of 4-year target in development (2015)	0%	2.10%	26.90%	17.90%
	Current number of units (2015)	0	41	537	429
	2018 target for number of units	600	1,950	2,000	2,400
	2021 target for number of units	2,900	5,000	5,000	6,000

Note: Units are included if they are: committed (the projects have an approved rezoning or development permit application or an approved City Council report confirming funding), under construction or have been completed.

LICENCES AND INSPECTIONS

The Licences and Inspections Division in Community Services includes Property Use Inspection Services, Business Licensing, and Animal Services with a focus on:

- General standard of health, safety and cleanliness that includes:
    - Property use;
    - Noise control;
    - Standards of maintenance; and,
    - Animal Services (primarily dogs).
- Regulation and issuance of business licences based on activity and approved uses in specific zoning districts

MAJOR ACCOMPLISHMENTS IN 2015

In 2015, the City continued developing key strategic policy reviews accomplishing the following:

- New regulations and business licensing categories for Retail Dealer – Medical Marijuana-Related Uses;
- Providing a supporting role in enforcing regulations under special circumstances including:
    - FIFA Women's World Cup (brand protection)
    - Water consumption restrictions
- Rebranding Animal Services with the aim of increasing and encouraging more responsible dog ownership, educating the public about pet safety and providing more opportunity for dog licensing registration;
- Recognizing the International Urban Animal Summit with an Emerging Leader Scholarship award for best practices in its dog licensing program;
- Updating the Vehicle for Hire bylaw to support increased and improved safety standards and to allow for improved service through changes to the service model for Vehicle for Hire (taxis, limos, etc.);
- Continuing the partnership with Vancouver Coastal Health and Vancouver Fire and Rescue Services on the Hoarding Action Response Team (HART), taking a case management approach to people living in circumstances that could pose imminent life and safety risks;
- Continuing to expand the online process for business licences to include new applications and fee payment; and,
- Continuing to evolve the regulatory framework and enforcement response through use of new technologies, including as a new mobile app and by equipping inspectors with handheld devices (through implementation of new permitting system)

PLANS FOR 2016

In 2016, the City plans to:

- Complete a Liquor Policy Review suited to Vancouver, where risks are managed and health harms and community disruption are reduced while advancing arts and culture, commerce, social well-being, sustainability and a healthy, fun city;
- Continue developing and modernizing municipal licensing options for businesses in the sharing economy;
- Continue developing Animal Services to cultivate a community that fosters best animal practices and promotes responsible pet ownership;
- Continue evolving the Hoarding Action Response Team (HART) to ensure effective measures meet objectives; and,
- Implement new software to enable the online submission of new business licensing requirements.

DEPARTMENT SERVICE METRICS

The City continues its efforts to promote online renewals, along with implementing a new software platform allowing businesses to apply for and renew licences online – part of the City's Permits and Licences transformation project. The goal is to increase online transactions and simplify processes. These changes will help reduce the resources required to process applications manually.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Business Licensing	Quantity	% of Business Licence renewals issued online	36.6%	39.6%	43.0%	46.0%	49.0%
		# of Business licenses issued (excluding vehicle for hire)	51,461	51,889	50,638	49,371	47,153

ANIMAL SERVICES

Animal Services is responsible for maximizing licensing and identification of dogs (licensing is currently growing at an average rate of 5-6% per year), minimizing nuisance dog behaviour in the city (such as barking) and encouraging responsible pet ownership.

Due to greater focus on animal safety education, the number of tickets issued has decreased. Further, a 12% decrease in dog bite incidents from 2013 may be attributed to the proactive deployment of Animal Service officers in addressing non-compliance – specifically in regards to licensing and leashing dogs.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Animal Services	Quantity	# Dog licenses issued and paid for	18,528	19,775	20,300	23,500	27,000
		% of Dog Licences issued online	63.0%	61.0%	73.5%	77.0%	81.0%
		Tickets issued by Animal Control	292	324	190	100	150
	Result	Reported dog bites on people and animals	281	237	313	255	270

MOUNTAIN VIEW CEMETERY

The cemetery continues to see incremental growth in the annual number of interments and sale of cemetery spaces, resulting in record-high annual revenue of $2.0 million. The cemetery also benefited from a significant heritage restoration of the Jewish area, initiated through a community partnership with the Schara Tzedeck Cemetery Board.

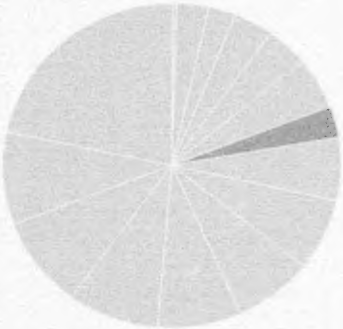
Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Cemetery Service	Quantity	Interments by Casket	59	61	74	72	75
		Interments by Cremation	318	312	304	351	415

LOOKING AHEAD, 2017-2020

- Support the private sector in bringing forward sites for development to deliver more affordable housing and family units
- Support non-profit partners in building capacity to create more affordable housing
- Monitor, maintain, improve and replace SROs using tools such as the SRO Bylaw and grants, consistent with approval of the SRO Strategy
- Use the Vulnerability Assessment Tool to provide improved data about the sheltered homeless population to better inform the types of supports needed (2017-2020)
- Work with regional and national partners to conduct a homeless count (2017)
- The Carnegie Homeless Outreach Team: continue providing direct outreach and support to move people out of homelessness and help others maintain their housing (2017-2020)
- Complete Healthy City Action Plan four-year goals
- Update the 2013-2018 Culture Plan
- Cultural activities associated with the celebration of Canada's 150th anniversary of Confederation

- **Optimize arts and cultural investment in the creative economy through partnerships and leveraging**
- **Complete and open four cultural amenity spaces — Howe Street Studios, Main and 2nd Low-Income Artist Housing and Studio, Ryerson United Choral Centre, and Social/Cultural Non-Profit Centre**
- **Complete construction of Evelyn Saller Centre and Roddan Lodge**
- **Conduct a review of Mountain View Cemetery and develop a revised business plan for the facility**

2016 BUDGET



Community Services, Civic Threatre and
Grants make up 5% of the
2016 Operating Budget

Year-over-Year Budget Changes

Major Category ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)
Revenues				
Program revenue				
Civic Theatres program revenue				
Theatre facility rentals	5,140	5,347	207	4.0%
Concession revenue	1,166	1,254	88	7.6%
Ticket surcharges	1,295	1,874	579	44.7%
Other Civic Theatres revenue	113	231	118	104.6%
Total Civic Theatres program revenue	**7,714**	**8,705**	**992**	**12.9%**
Community Services program revenue				
Mountain View Cemetery revenue	1,938	1,977	39	2.0%
Community Kitchen revenue	1,315	1,372	57	4.3%
Total Community Services program revenue	**3,253**	**3,348**	**95**	**2.9%**
Total Program revenue	**10,967**	**12,054**	**1,087**	**9.9%**
Parking revenue				
Civic Theatres parking revenue	360	478	118	32.8%
Other parking revenue	5	5	-	-
Total Parking revenue	**365**	**483**	**118**	**32.3%**
Cost recoveries, grants & donations				
Community Services recoveries	3,508	3,256	(252)	(7.2%)
Other department recoveries	451	673	222	49.3%
Total Cost recoveries, grants & donations	**3,959**	**3,929**	**(30)**	**(0.8%)**
Other revenue				
Non-market housing rentals	3,692	3,752	60	1.6%
Other department revenue	83	83	-	-
Total Other revenue	**3,776**	**3,836**	**60**	**1.6%**
Total Revenues	$ 19,066	$ 20,301	$ 1,235	6.5%

Note: Totals may not add due to rounding

Major Category ($000), continued	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)
Expenditures & Transfers				
Civic Theatres				
Civic Theatres operations	4,608	5,543	935	20.3%
Shared support services	1,957	1,860	(97)	(4.9%)
Transfers to / (from) reserves & other funds	881	1,216	335	38.0%
Total Civic Theatres	**7,446**	**8,619**	**1,173**	**15.8%**
Community Services				
Social Support	9,931	9,969	38	0.4%
Housing	7,454	7,534	80	1.1%
General & Projects	1,769	1,707	(61)	(3.5%)
Social Policy	2,866	3,238	372	13.0%
Licensing	3,366	3,567	201	6.0%
Property Use Inspection	2,659	2,568	(91)	(3.4%)
Culture	2,611	2,761	150	5.7%
Mountain View Cemetery	1,471	1,473	2	0.1%
Shared support services	6,248	6,964	716	11.5%
Transfers to / (from) reserves & other funds	(353)	(416)	(63)	18.0%
Total Community Services	**38,022**	**39,364**	**1,343**	**3.5%**
Grants				
Cultural	11,060	11,282	221	2.0%
Social Policy	5,875	5,992	117	2.0%
Childcare	1,424	1,453	28	2.0%
Other grants	646	959	313	48.4%
Total Grants	**19,006**	**19,686**	**680**	**3.6%**
Total Expenditures & Transfers	$ 64,473	$ 67,669	$ 3,196	5.0%
Net Operating Budget	$ (45,407)	$ (47,368)	$ (1,961)	4.3%

Note: Totals may not add due to rounding

Explanation of Changes — Revenue

The largest revenue change in the Community Services group is due to the addition of approximately $1.0 million in new revenue from civic theatres. This addition reflects anticipated revenue increases from all areas of operations – including improved concession and parking revenue through increased venue use, and revenue-sharing for tickets sold through external ticketing agencies.

The 2016 budget has been adjusted for Community Kitchen meals and will now align with actual meals sold. In previous years, the budget has been lower than actual revenue received.

The remaining change reflects increased sales at Mountain View Cemetery.

Explanation of Changes — Expenses

Expenses in 2016 will increase by approximately $2.5 million, primarily due to an increase of $0.7 million for restructuring the civic theatres – including adjustments to wage and supply costs relating to increased overall theatre activity.

An increase of $0.3 million in grants stems from Council priorities in the area of social support for organizations in the Downtown Eastside (DTES) and moving forward with the Healthy City Strategy (a long-term, integrated plan for healthier people, healthier places and a healthier planet).

Vancouver Affordable Housing Agency (VAHA) expenditures have not been included in the budget tables above. VAHA is a separate entity wholly owned by the City of Vancouver, thus shown only in the Consolidated Budget. Please refer to the Consolidated Budget which reflects an increase in VAHA's 2016 budget to help expedite delivery of more affordable housing for Vancouver residents struggling to find affordable housing options.

Budget Trend

Major Category ($000)	2012 Approved Budget	2013 Approved Budget	2014 Approved Budget	2015 Restated Budget	2016 Proposed Budget
Revenues					
Program revenue					
Civic Theatres program revenue					
Theatre facility rentals	5,205	5,160	5,155	5,140	5,347
Concession revenue	1,197	1,221	1,226	1,166	1,254
Ticket surcharges	844	840	836	1,295	1,874
Other Civic Theatres revenue	172	162	164	113	231
Total Civic Theatres program revenue	**7,418**	**7,382**	**7,382**	**7,714**	**8,705**
Community Services program revenue					
Mountain View Cemetery revenue	1,938	1,938	1,938	1,938	1,977
Community Kitchen revenue	1,090	1,255	1,255	1,315	1,372
Total Community Services program revenue	**3,028**	**3,193**	**3,193**	**3,253**	**3,348**
Total Program revenue	**10,446**	**10,575**	**10,575**	**10,967**	**12,054**
Parking revenue					
Civic Theatres parking revenue	360	360	360	360	478
Other parking revenue	5	5	5	5	5
Total Parking revenue	**365**	**365**	**365**	**365**	**483**
Cost recoveries, grants & donations					
Community Services recoveries	3,118	3,498	3,525	3,508	3,256
Other department recoveries	416	212	212	451	673
Total Cost recoveries, grants & donations	**3,534**	**3,710**	**3,737**	**3,959**	**3,929**
Other revenue					
Non-market housing rentals	3,023	3,023	3,638	3,692	3,752
Other department revenue	206	206	189	83	83
Total Other revenue	**3,229**	**3,229**	**3,827**	**3,776**	**3,836**
Total Revenues	$ 17,574	$ 17,879	$ 18,504	$ 19,066	$ 20,301

Note: Totals may not add due to rounding

Major Category ($000), continued	2012 Approved Budget	2013 Approved Budget	2014 Approved Budget	2015 Restated Budget	2016 Proposed Budget
Expenditures & Transfers					
Civic Theatres					
Civic Theatres operations	4,861	5,285	4,966	4,608	5,543
Shared support services	55	55	55	1,957	1,860
Transfers to / (from) reserves & other funds	937	477	924	881	1,216
Total Civic Theatres	**5,853**	**5,818**	**5,945**	**7,446**	**8,619**
Community Services					
Social Support	8,027	8,804	9,290	9,931	9,969
Housing	4,037	4,798	5,456	7,454	7,534
Inspections	7,308	7,352	7,300	-	-
General & Projects	4,465	4,569	2,191	1,769	1,707
Social Policy	2,618	2,592	3,119	2,866	3,238
Licensing	3,123	3,059	3,210	3,366	3,567
Property Use Inspection	2,786	2,781	2,859	2,659	2,568
Bylaw Admin	2,166	2,331	2,541	-	-
Culture	1,995	2,184	2,030	2,611	2,761
Mountain View Cemetery	1,650	1,618	1,641	1,471	1,473
Environmental protection	509	502	-	-	-
Shared support services	1	1	2	6,248	6,964
Transfers to / (from) reserves & other funds	904	226	795	(353)	(416)
Total Community Services	**39,588**	**40,817**	**40,432**	**38,022**	**39,364**
Grants					
Cultural	10,554	10,554	10,794	11,060	11,282
Social Policy	4,224	4,224	5,319	5,875	5,992
Childcare	1,160	1,160	1,200	1,424	1,453
Other grants	429	429	389	646	959
Total Grants	**16,367**	**16,367**	**17,702**	**19,006**	**19,686**
Total Expenditures & Transfers	$ 61,808	$ 63,002	$ 64,079	$ 64,473	$ 67,669
Net Operating Budget	$ (44,235)	$ (45,124)	$ (45,575)	$ (45,407)	$ (47,368)

Capital Budget ($ million)	$ 19.3	$ 14.8	$ 14.6	$ 70.0	$ 20.1

Note: Totals may not add due to rounding

Explanation of Changes — Revenue

Revenue from civic theatres is expected to increase in 2016 with the implementation of a new business plan and operations restructuring to increase venue use. The anticipated result is increased revenue across all streams (rentals, concession, parking and revenue-sharing with outside ticket agencies).

Community Kitchen revenue has increased year-over-year, reflecting the number of meals provided to the community. Budget adjustments have been made to align with actual meals sold. Cost recoveries relate mainly to those from BC Housing for its support of non-market housing, as agreements with BC Housing expire and recoveries end.

The increase in non-market rental income aligns the budget with actual revenues received. In prior years, the budget has been lower than actual revenues received.

Explanation of Changes — Expenses

In late 2014, the Inspections and Bylaw Administration groups were moved from Community Services to Planning and Development Services, creating a building services' Centre of Excellence. This change has helped foster better consistency between planning, building and inspection services while optimizing services provided to residents.

Also in 2014, the Environmental Protection group was consolidated into the Real Estate and Facilities Management group, creating a Centre of Excellence to manage contaminated sites for the City.

Social Support expenses have increased over the last few years due to additional support delivered by the Carnegie Homeless Outreach Team. Food costs have also increased in response to increased demand at The Gathering Place, Carnegie and Evelyne Saller centres.

Increased operating and maintenance costs for City-owned lodges – including additional funding for the Vancouver Public Housing Corporation, a wholly owned City subsidiary – are reflected in the Housing budget.

The budget for the Culture Services department has increased due to staff positions in the Cultural Services and public art groups. Previously funded through the City's Capital Budget, they are now funded from the Operating Budget.

Over the last five years, grant funding has increased to meet heightened demand from social and cultural non-profit organizations throughout Vancouver. In 2015, $0.7 million in funding was invested specifically for children's needs. Its purpose is to support a Vancouver School Board breakfast program, while additional enhancement grants will support the creation of more childcare spaces – in keeping with the City's focus on childcare. In 2016, $0.3 million in additional dedicated funding is being invested to help organizations support the goals of the Healthy City Strategy. The budget trend also reflects the continued evolution to shared services, with staff and budgets in previously decentralized work groups moving to Citywide groups; this includes consolidated Information Technology (IT), Supply Chain Management, Finance, Facilities Operations and Planning, 3-1-1, Digital Services, and Human Resources (HR).

Starting in 2014, the City changed its method of allocating shared support services costs. For both civic theatres and Community Services, the large change in costs allocated to service departments from the Corporate Support group is reflected in the budget. This increase reflects costs allocated for Finance, HR, IT and building operations (including leases and rents, electricity and gas costs).

Notable Capital Projects

Project Name ($ millions)	Total Project Budget	Forecast 2015 Expenditure	2016 Annual Expenditure Budget	Future Years**
Land Acquisition for delivery of new non-market housing units:				
• New Land Acquisition Opportunities	6.7	1.8	0.4	4.5
• Land acquisition in East Fraser Lands for non-market housing	8.1	0.0	8.1	0.0
Grants :				
• Grants for non -city owned non -market units*	N/A	1.0	2.5	6.5
• Grants for SRO's*	N/A	0.5	0.5	1.0
Renewal, upgrade & expansion of existing non-market units:				
• Planning for Renewal of Roddan Lodge (Housing) and Evelyne Saller Centre (Social)	5.2	0.2	1.8	3.2
Public Art: New + Maintenance*	N/A	0.0	1.5	1.7

* Funding for programs approved on annual basis.

** For Programs, reflects forecast amounts for remaining years, 2017-2018, of the 4 year capital plan.

The creation of addition affordable housing remains a key priority for the City. In the 2015-2018 Capital Plan, Council set a target of 2,550 new non-market (social and supportive) housing units to be delivered through voluntary, in-kind Community Amenity Contributions (CACs) and inclusionary zoning, providing City land to enable strategic partners to deliver affordable housing, and contributing capital grants to non-profit partners on their housing projects.

For 2016: $8.1 million has been earmarked for payment of the East Fraser Lands; $2.5 million has been set aside for capital grants to assist the City's non-profit partners in advancing their housing projects; $0.5 million will help fund necessary upgrades to Single Room Occupancy (SRO) hotels; and $1.8 million is designated for planning work related to the Roddan Lodge renewal.

To mark the 25th anniversary of the Public Art Program, the City will undertake various projects to revitalize current public art pieces and initiate new projects to increase public art in Vancouver.

Employee Trend Table

Community Services	2011	2012	2013	2014	2015F
Regular Full-Time Staff	253.0	248.0	236.0	228.0	216.7
All Staff (including Part-time, Temporary and Auxiliary) Full-Time Equivalents*	352.6	346.1	337.0	337.6	338.1

*excluding overtime

Regular full-time staffing levels for Community Services have decreased over the last four years, mainly due to transformation of the Licensing group (which has moved toward risk-based assessments). Also, the Permits and Licences transformation project has changed the way customers interact with City staff.

PLANNING AND DEVELOPMENT SERVICES

Planning and Development Services combines the skills of a wide array of professional, technical, clerical and support staff to address public policy issues related to land use and City planning.

Planning and Development Services staff also review development proposals (from fielding initial inquiries, to issuing building permits and conducting subsequent inspections) and administer rezoning and development permit processes; the department includes the office of the Chief Building Official, responsible for inspections. The department also manages the City's largest public inquiry centre, responding to information requests, coordinating financing growth issues and assisting more than 22 Business Improvement Areas (BIAs).

Moreover, Planning and Development Services assists with numerous Council-appointed committees — including the Heritage and Vancouver Planning commissions. Departmental staff liaise with Metro Vancouver on planning matters and support internal working groups for many City initiatives.

KEY SERVICES DELIVERED

Land Use Planning — Provide advice and develop long-term land use plans including regional, citywide and community plans; transportation plans; heritage strategies; and related bylaws for Vancouver.

Zoning Approval — Review rezoning applications for compliance with City policies and zoning.

Development Approval (Building Permits, Development Permits) — Review development designs and approve them for compliance with City policies and zoning using a clear and concise process.

Enquiry Centre Customer Service — Address public inquiries at the City's largest public inquiry centre.

Regulation Review and Support — Coordinate and renew bylaws and regulations requiring review and update based on corporate goals and initiatives.

Citywide Planning and Development Data Analysis — Manage, analyze and distribute data related to citywide trends, including census and development activity; administer and manage development-related benefits; support BIAs.

Building Inspections — Create and enforce bylaws and codes, and inspect buildings and trades for compliance.

MAJOR ACCOMPLISHMENTS IN 2015

In 2015, Planning and Development Services continued building on organizational and physical changes initiated in 2014, including:

- Reorganizing to create three divisions based on geography rather than function;
- Introducing a streamlined online application tracking system to replace 39 existing systems;
- Reducing the number of inquiry centres from five to one; and,
- Incorporating the office and functions of the Chief Building Official.

In 2015, all new trade permits (23,000) and inspections are being conducted on the new permits and licences system known as POSSE. This lays the foundation for issuing development and building permits by year-end.

Supported by City Council, the Citizens Assembly on the Grandview-Woodland Community Plan completed its work and reported on its findings. Completion of this plan is anticipated in early 2016. Council also directed initiation of work on the Cambie Phase 3 area identified in the 2011 Cambie Corridor Plan and adopted recommendations on the First Shaughnessy area — the first component of the Heritage Action Plan to be considered.

Additionally, project work and process improvements focused on:

- Continuing to refine the Permit and Licence Transformation Program for permits issued since 2014, while preparing for new initiatives;
- Creating research and zoning regulations for licensing medical marijuana establishments in Vancouver;
- Continuing to review land use in eastern core, and South False Creek and planning for the removal of the Georgia and Dunsmuir viaducts, as directed by Council;
- Initiating a planning review of the Joyce-Collingwood station area at Joyce Street and Vanness Avenue in the eastern part of the city;
- Establishing the first Heritage Conservation Area in First Shaughnessy (between West 16th and King Edward avenues and Arbutus and Oak streets);
- Continuing to provide technical and planning support for major city issues, such as extending the Millennium Line SkyTrain under the Broadway Corridor to Arbutus Street on Vancouver's west side (more commonly known as the Broadway Subway);
- Assisting clients with understanding and implementing changes in the revised 2014 Vancouver Building Bylaw, which came into effect on January 1, 2015;
- Initiating a review of development-related fees, as more than 10 years had passed since the last review;
- Implementing the three community plans adopted in 2014, which continued to stimulate development activity in the Marpole, Downtown Eastside and West End neighbourhoods;

- Beginning review of large sites, as directed by City Council, including the Oakridge Bus Barns, Langara and the former RCMP site located at 33rd Avenue and Heather Street; and,
- A review of current staffing levels and the current permit wait times was undertaken, with implementation to occur in late 2015. Allocation of $2.1 million for additional staffing resources has been included in the 2016 Budget.

PLANS FOR 2016

In 2016, project work will focus on the following areas:

- Implementing policy work completed on the removal of the Georgia and Dunsmuir viaducts, False Creek Flats, Northeast False Creek and South False Creek plans;
- Implementing the Grandview-Woodland Community Plan;
- Completing recommendations on the Heritage Action Plan, focusing on the updating of the heritage registry;
- Completing and implementing the outcomes of the Cambie Street Phase 3 area;
- Continuing review of the large volume of 2015 housing applications resulting from rental and interim rezoning policies;
- Implementing outcomes of the development fee review;
- Continuing work on potential new policy statements for the Jericho Lands and RCMP sites (now owned by Canada Lands Corporation and First Nations);
- The department will continue working on decreasing permit wait times –
  - Staff resources will be reviewed to maintain adequate staffing levels based on volumes of applications received. Allocation of $2.1 million for additional staffing resources has been included in the 2016 Budget.
  - Application process will be reviewed to explore ways of improving efficiencies while still reviewing the large number of development applications received.
- Implementing a renewed Sign Bylaw to incorporate new signage types (such as digital signs) and ensure the City's regulations are current; and,
- Continuing to implement and refining an online application process for submitting and monitoring development and building permits.

LOOKING AHEAD, 2017–2020

In 2017 and beyond, Planning and Development Services will make further refinements to and continue implementing the new permits and licensing system to ensure the department is maximizing the investment in this technology. Our online presence will continue to support our customer service centre and service delivery. Project work on areas such as the Jericho Lands and other large sites currently owned by other levels of government will continue depending on the participation of our intergovernmental partners. Additionally, the Grandview-Woodland Community Plan is anticipated to be endorsed and development applications will begin being processed. There is potential for refinements around existing transit stations which will allow development potential in those areas.

DEPARTMENT SERVICE METRICS

Development Approval

In 2015, application processing times were longer due to a combination of significantly increased application volumes, new policy initiatives and implementation of the revised Vancouver Building Bylaw.

The department is actively involved in investigating ways to reduce processing times while continuing to implement the new permit and licences software system and managing increased application activity. The increased amount of square footage created is an indicator of the complexity of the applications being received.

Metrics for 2015 show a smaller number of customers visiting the Customer Service Centre as people are shifting their behaviour in terms of how they interact with the City — as part of the Permits and Licences Transformation which allows customers to apply for many permits and track application status online. Customers can now conduct business at their convenience, reducing the need for in-person inquiries and making the permitting process more convenient. The decrease in inquiry centre walk-in customers demonstrates the impact of the online application and tracking services.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Development Approval	Quantity	# of Enquiry Centre walk-in customers	27,553	26,120	26,512	18,323	14,500
		# of Major Projects heard via DP Board	15	18	17	20	25
		# of Trades Permit Issuances	23,436	24,251	25,025	23,658	23,000
		Sq Ft development approved at Bldg Permit: Non-Residential	1,257,222	1,910,345	1,598,744	1,752,886	1,994,000
		Sq Ft development approved at Bldg Permit: Residential	6,825,209	7,250,792	6,302,870	6,247,499	7,867,000
		Total # of development, building and DB applications received	7,638	7,810	7,524	8,711	7,300
	Quality	Average length of time for Permit Issuance (weeks): Outright 1&2 Family Dwellings	15	6.6	6.4	11.3	22
		Average Wait Time Minutes: Enquiry Centre	28	35	39	42	42
		Average Wait Time Minutes: Phone Centre	2:23	2:29	1:49	2:15	3:00

Zoning Approval

The number of applications received and brought to public hearing was relatively stable for a number of years, but in 2015 the number increased about 25%. Today, rezoning applications are more complex as they address various issues including sustainability, Greenest City Action Plan initiatives, affordable housing, accessibility and sometimes heritage value. This results in more detailed applications and longer processing times than in the past.

In 2015, the City experienced an increase in new commercial square footage being created – especially in job-generating space, reflecting the strength of Vancouver's economy and reputation as one of the world's most livable cities.

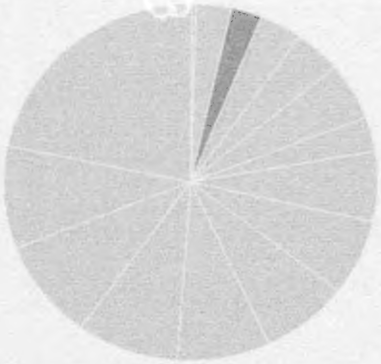
Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Zoning Approval	Quantity	# of rezoning Applications at hearing	37	32	40	39	40
		# of rezoning Applications received	44	34	36	33	41
	Quality	Average processing time for rezonings: major (months)	10.6	15.0	13.6	8.2	10.5
		Average processing time for rezonings: minor (months)	5.0	5.0	6.1	4.7	2.3

Land Use Planning

As part of the City's commitment to engaging the public in decision making, attendance at public consultation events in 2015 remained relatively unchanged over 2014.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Land Use Planning	Quantity	# Attendees at Public Consultation Events	NDA	12,964	13,370	7,613	7,666
		Policy Initiatives underway approved by City Council	9	9	9	10	11

2016 BUDGET



Planning and Development makes up 3% of the 2016 Operating Budget

Year-over-Year Budget Changes

Major Category ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)
Revenues				
Cost recoveries, grants & donations				
Other department recoveries	268	268	-	-
Total Cost recoveries, grants & donations	**268**	**268**	**-**	**-**
Other revenue				
Other department revenue	5	5	-	-
Total Other revenue	**5**	**5**	**-**	**-**
Total Revenues	$ 273	$ 273	-	-
Expenditures & Transfers				
Planning & Development				
Planning	10,141	10,712	571	5.6%
Development Services	9,151	9,901	750	8.2%
Inspections	9,133	10,290	1,157	12.7%
General	1,115	1,368	253	22.7%
Shared support services	858	868	10	1.1%
Transfers to / (from) reserves & other funds	2	2	-	-
Total Planning & Development	**30,400**	**33,141**	**2,741**	**9.0%**
Total Expenditures & Transfers	$ 30,400	$ 33,141	$ 2,741	9.0%
Net Operating Budget	$ (30,127)	$ (32,867)	$ (2,741)	9.1%

Note: Totals may not add due to rounding

Explanation of Changes – Revenue

Revenues for Planning and Development Services come from two sources: overtime revenue (a cost-recovery fee) paid by developers wanting applications processed beyond normal working hours, and cost recoveries associated with untidy premises due to graffiti, vandalism and other factors or circumstances. Property owners are responsible for the costs associated with keeping premises tidy; the City does not fine the property owner, but if the owner fails to respond to a notification, the City has the right to clean up the premises and recover the cost.

From 2015 to 2016 there is no change in budgeted revenue.

Explanation of Changes — Expenses
The 2016 expense increase includes investments of $2.1 million to address application processing times and backlogs relating to increased development activity. The department will continue taking steps to decrease wait times to an acceptable level. Staff resources will be reviewed with the goal of maintaining adequate staffing levels based on application volume. The department has also received an investment of $0.075 million to continue working on the Georgia and Dunsmuir Viaducts project planning.

NOTABLE CAPITAL PROJECTS

Project Name ($ millions)	Total Project Budget	Forecast 2015 Expenditure	2016 Annual Expenditure Budget	Future Years**
Downtown Eastside Revitalization*	7.1	2.0	3.8	1.3

* Grants for Downtown Eastside Revitalization that are managed by Planning & Development Services department

The recently approved Downtown Eastside (DTES) Plan sets out aggressive social, economic and housing targets for the neighbourhood. The plan includes a prescription for quick-start, short-term actions that can be achieved in under five years; these will be implemented through strategic capital investments, including the DTES Capital Grant Program and the Chinese Society Buildings Matching Grants.

Budget Trend

Major Category ($000)	2012 Approved Budget	2013 Approved Budget	2014 Approved Budget	2015 Restated Budget	2016 Proposed Budget
Revenues					
Cost recoveries, grants & donations					
Other department recoveries	50	163	163	268	268
Total Cost recoveries, grants & donations	**50**	**163**	**163**	**268**	**268**
Other revenue					
Other department revenue	-	-	5	5	5
Total Other revenue	**-**	**-**	**5**	**5**	**5**
Total Revenues	$ 50	$ 163	$ 168	$ 273	$ 273
Expenditures & Transfers					
Planning & Development					
Planning	8,917	8,798	9,952	10,141	10,712
Development Services	8,656	8,744	8,009	9,151	9,901
Inspections	-	-	-	9,133	10,290
General	-	-	981	1,115	1,368
Shared support services	-	-	-	858	868
Transfers to / (from) reserves & other funds	-	-	2	2	2
Total Planning & Development	**17,573**	**17,542**	**18,943**	**30,400**	**33,141**
Total Expenditures & Transfers	$ 17,573	$ 17,542	$ 18,943	$ 30,400	$ 33,141
Net Operating Budget*	$ (17,523)	$ (17,379)	$ (18,775)	$ (30,127)	$ (32,867)
Capital Budget ($ million)	$ -	$ 0.6	$ 7.7	$ 3.3	$ 3.8

Note: Totals may not add due to rounding

Explanation of Changes — Revenue

Revenues in Planning and Development Services remain stable year-over-year.

Explanation of Changes — Expenses

In late 2014, the Inspections group was moved from Community Services to Planning and Development Services, creating a building services' Centre of Excellence. This change in departmental structure is helping ensure consistency between planning and building and inspection services while optimizing services provided to residents.

The department has seen annual growth in expenditures that reflect collective bargaining wage and benefits increases, as well as investments associated with undertaking new policy initiatives and addressing application processing times and backlogs relating to increased development activity.

Employee Trend Table

Planning and Development	2011	2012	2013	2014	2015F
Regular Full–Time Staff	288.0	287.0	282.0	284.0	276.3
All Staff (including Part–time, Temporary and Auxiliary) Full–Time Equivalents*	290.2	294.1	295.7	299.9	300.1

*excluding overtime

Regular full-time staffing levels for Planning and Development Services have remained relatively stable.

Fluctuations in all-staff, full-time equivalents (FTEs), including part-time, temporary and auxiliary staff, relate to the hiring of additional temporary staff to help with processing permit backlogs.

VANCOUVER ECONOMIC COMMISSION

The Vancouver Economic Commission (VEC), an agency of the City, works to strengthen Vancouver's economic future by developing and leading on key initiatives to strengthen the business ecosystems of key strategic sectors of the local economy. These strategic sectors are: the Green Economy and sustainability-related sections, Technology and Innovation, and Digital Entertainment and Interactive. In addition to working on these key initiatives, the VEC works directly with businesses in these sectors to help them grow, attract investment and develop new markets. In particular, the VEC is also focused on the Asia-Pacific markets — especially China. The VEC also conducts research and provides marketing and communication services to promote Vancouver's business environment.

KEY SERVICES DELIVERED

The VEC provides services in the following areas:

Investment and Business Support — Supply data, information and intelligence on business, economic and community conditions; provide businesses in priority industry sectors with support, referrals and services for doing business in Vancouver.

Business Delegation Support — Make presentations on local business opportunities; arrange informational meetings, company introductions and project tours; provide business development services.

Economic Development Promotion — Provide marketing and outreach; collaborate with industry associations to promote business opportunities in Vancouver; sponsor and participate in industry events and activities.

Strategic Initiatives — Design and lead projects (often in partnership with the City or other organizations) to fill a gap in the business ecosystem or achieve positive change as it relates to infrastructure, planning, systems and programs that support Vancouver's business community.

MAJOR ACCOMPLISHMENTS IN 2015

In 2015, the VEC undertook a significant number of activities to support the City's Greenest City 2020 Action Plan and its Digital Strategy in addition to delivering on the Vancouver Economic Action Strategy. This includes important work in the areas of the Green Economy, Technology and Innovation, and Digital Entertainment and Interactive, as well as significant progress in the Asia-Pacific markets.

The Green Economy

Goal: To position Vancouver as a centre of green enterprise

- **The False Creek Flats, a Green Enterprise Zone** — The VEC has been working with the neighbourhood business community and the City's Planning and Development Services department on a multi-year project to establish the False Creek Flats (the Flats) as an advanced inner-city industrial employment land that will be promoted as the “greenest place in the world to work.” This area will showcase green innovations that support an emerging circular economy, enable smarter transportation and logistics and provide places to grow in buildings that are LEED-certified or have an aggressive energy retro-fit plan.

The area (bounded by Main, Prior and Venables streets, Clark Drive, and Great Northern Way) was chosen for its economic and ecological significance; making up 15% of Vancouver’s industrial land base, the Flats houses more than 500 businesses providing more than 8,000 jobs. The area is also home to newly developed educational institutions, as well an influx of technology and research and development-based businesses, and other like-minded organizations.

In 2015, the VEC’s work pertaining to the Flats also included:

- Convening workshops with the local business community, attended by more than 200 businesses;
- Completing research on the business energy and emissions profile of the Flats, as well as the economic development potential of Flats-based, City-owned sites and the role of municipal and regional government in supporting the shift to a more circular economy for the fashion and textiles sector;
- Launching three new programs, a Networked Business Bootcamp program, a deconstruction and reuse program (delivered by Habitat for Humanity) and a citywide upcycle design project to help galvanize demand for recovered materials; and,
- Helping lead Phase 1 of the Local Area Planning process, which included engaging more than 150 students from several post-secondary schools in helping uncover challenges and opportunities in the Flats and telling the story of Flats businesses.

The VEC is now developing a draft economic strategy that will serve as the cornerstone of the False Creek Flats Local Area Plan.

- **Green and Digital Demonstration Program** — The Green and Digital Demonstration Program (GDDP) supports entrepreneurs and startups in Vancouver’s clean technology and digital sectors by curating opportunities to gain temporary access to City-owned assets for technology demonstrations and proof-of-concept trials. This support helps companies save time and money, helping them get to market more quickly. The ultimate goal of the GDDP is to more rapidly create green and digital jobs, with a higher success rate. In 2015, the VEC received 28 proposals for the program’s second call for applications; eight were shortlisted for implementation. Of the projects from 2014, six are being implemented.
- **Thriving Vancouver, a green initiative** — Many businesses face barriers, such as a lack of time or resources, when trying to adopt environmentally sustainable practices. In 2015, the VEC did a soft launch of a new digital platform, Thriving Vancouver; its aim is to engage Vancouver’s business community in adopting more environmentally sustainable operations. Thriving Vancouver provides information (including articles and videos) as well as a list of resources (such as advisors and subject matter experts). Businesses can also score themselves against a list of questions to achieve a Green Score, then work to improve (with guidance from program resources and information).

- **Climate Pledge** - In the lead-up to Conference of Parties meetings taking place in December 2015, more commonly known as COP21 or the 2015 Paris Climate Conference, the VEC initiated a Climate Pledge involving hundreds of notable Vancouver businesses signing up to support stronger action on climate change from world governments.
- **Green jobs roadmap** — The VEC needed a better sense of the factors driving Vancouver's green economic growth, as well as the policy and investment levers that could help the VEC meet its Greenest City Action Plan jobs target of 33,400 by 2020. To address this need, the VEC developed an approach to quantify overall growth in this area, as well as the economic and job impacts from specific green and local food sector policies, programs, projects and initiatives.
- **Promoting the benefits of the green economy** — A global economic transition is underway that is associated with mega-trend factors including climate change, major demographic shifts, rising consumption patterns, resource depletion and widespread biodiversity and ecosystem loss. At the same time, there is growing appreciation for the significant business, investment, economic and employment opportunities arising from the transition to a lower-carbon, resource-efficient and socially inclusive green economy.

The VEC has and will continue working with others, sharing best practices and learning — locally and globally. In 2015, the VEC embarked on a journey of better information-sharing and coordinated approaches to supporting the green economy across other levels of government, between jurisdictions and the profession of economic development and city-building. During the year, the VEC presented to groups including the C40 Cities Climate Leadership Group, the International Economic Developers Conference, and the Urban Land Institute. Overall, the VEC's efforts have helped raise the profile of this important work and positioned the VEC as a leader in promoting the green economy's many benefits.

Technology and Innovation

Goal: To build on Vancouver's reputation as a globally recognized ecosystem of innovative entrepreneurs and growing startups, and as a destination for smart capital and talent.

- **Startup City** — Building on the success of the 2014 edition of Vancouver Startup Week, the VEC was the lead organizer of Startup City, a week-long celebration of innovation and entrepreneurship hosted at the Imperial Theatre. Featuring 17 distinct, fully subscribed, prestigious events built with the support of 29 partners, Startup City programs highlighted Vancouver's diverse, low-carbon, knowledge-based small businesses while helping bridge the most challenging gaps faced by the city's startup community. It also included opportunities to network with customers and collaborators, and access to smart talent and smart capital.

- **Innovation Hub at 312 Main Street** — In 2015, the VEC achieved three significant milestones on the path to building the Vancouver Innovation Hub at 312 Main Street; when open in 2016, it will be the most significant platform in Western Canada for supporting innovative entrepreneurs, small businesses and startups.

- **Business development initiatives included:**

    - Supporting Microsoft and Amazon in launching major development centres located in Vancouver's downtown core, with facilities anticipated to employ up to 1,000 full-time employees;
    - Promoting the interests and helping address the challenges associated with Vancouver's fastest-growing and most innovative companies, including D-Wave, Hootsuite, and Slack; and,
    - Business development tracking, showing more than two-thirds of new office space in the downtown core is occupied by technology and digital entertainment firms.

- **Noteworthy events involving the VEC in the area of technology and innovation talent included:**

    - HTML500, Canada's largest learn-to-code event, attracted 500 first-time coders, with 3,000 on the waitlist for Vancouver, with sold-out events in Calgary, London (Ontario) and Toronto. The VEC supported a job fair in each city, providing access for dozens of Vancouver tech companies for the technical and non-technical talent in attendance. The VEC also executed a national public relations campaign to highlight Vancouver-based opportunities for talented individuals considering the city's tech sector for work;
    - Techvibes Techfest, which attracted more than 700 job-seekers who connected with 19 companies, providing more than 250 employment opportunities. Through the VEC Career Concierge Service, the VEC delivered 20 career consultations and hosted 20 guests via promotions with the British Columbia Institute of Technology (BCIT), the Art Institute of Vancouver, the Centre for Digital Media, the Faculty of Applied Sciences at Simon Fraser University (SFU), SFU Business, the Alumni Association of the University of British Columbia (UBC), UBC Computer Science and VanHack. The VEC complemented this program with a national marketing campaign called #BreakSomething. The campaign positioned Vancouver as a place to work in tech. A contest, using a Break Something original video, ran for two weeks and attracted 700 applications. The VEC's social media channels received significant uptake, including a 359% increase in Facebook page likes; and,
    - The 2015 Talent Conference for the Tech Industry took place in September at the Vancouver Convention Centre, part of the VEC's Startup City program. At the conference the VEC highlighted issues around immigration, moderating a discussion panel attracting more than 100 influential local, provincial and national attendees.

Digital Entertainment and Interactive

Goal: To expand Vancouver's leadership as a global centre for Digital Entertainment and Interactive companies.

Business –

- Sony Pictures Imageworks grand opening; 6,900 square metres at the old Eaton's building in Pacific Centre employing more than 750 digital artists and supporting roles.
- Promoting the Vancouver ecosystem at key events including the Game Developers Conference in San Francisco, the American Film Market in Los Angeles, the Annecy International Animated Film Festival in France, and the Vancouver International Film Festival (VIFF).
- Solving, on behalf of many local and rapidly growing studios, critical issues regarding zoning, permits and digital infrastructure. These efforts enabled studios to expand their operations and hire more Vancouverites. VEC also worked to dissuade companies from leaving Vancouver which would have resulted in financial losses and employee layoffs.

Talent –

- Co-organized, sponsored and led the Visual Effects Society Career Fair 2015, supporting 40 local studios in addressing an acute labour shortage in the industry. More than 1,600 job seekers attended.
- Successfully convened key government officials, studio executives and other industry stakeholders to quantify the impacts of changes to the Temporary Foreign Worker Program (TFWP). This included successfully collaborating with both the federal and provincial governments to bring about key changes and occupational code exemptions.

Asia Pacific Centre

Goal: To bridge the gap between investment interest in the Asia Pacific region and opportunities in Vancouver while branding the VEC as the go-to agency for business connections in the region. In 2015, highlights included:

- **Hanhai** – VEC hosted the Beijing Hanhai Zhiye Investment Management Group, establishing a foundation for the development of a technology commercialization accelerator – the Vancouver-based China Canada Clean Tech and Environment Technology Accelerator; a Memorandum of Understanding was executed for development of an Innovation Centre in Vancouver;
- **Guangzhou** – Celebrating Vancouver's 30-year, Sister-City relationship, the VEC hosted a Canada-China investment forum. More than 100 guests attended along with Vancouver Mayor Gregor Robertson and the Consul-General of China. The VEC followed up on this forum with a trade mission to Guangzhou in November 2015;
- **18th Annual Teochew Convention** – The VEC hosted an unprecedented business forum during the 18th Teochew International Convention, a prestigious event with senior business leaders from Asia seeking investment opportunities. This was a first for

the convention, providing welcome access for Vancouver companies to key overseas investors. More than 3,000 people attended the August 2015 convention;

- **Yokohama** — In partnership with the Vancouver-Yokohoma Golden Jubilee and the GreenTech Exchange, the VEC joined a green business delegation in celebrating a 50-year relationship between these two Sister Cities. Mayor Fumiko Hayashi was in attendance, delivering a keynote speech;
- **Canada-Korea Free Trade Agreement** — The VEC joined Canada's Minister of Foreign Affairs and Trade Development in Seoul, Korea, to witness and participate in signing an important trade agreement between Canada and Korea. The occasion of a Seoul visit also resulted in meetings with key Korean companies with interests in Vancouver. The new free trade agreement is projected to increase Canada's exports to Korea by more than 30%, boosting Canada's economy by approximately $1.7 billion. Vancouver is well-positioned to benefit from this trade increase; and,
- **China Trade Mission** — The VEC conducted a business mission to Beijing, Guangzhou and Shenzhen in November 2015, which included participation from select Vancouver companies and the Mayor of Vancouver for the Guangzhou leg. Site visits, business forums and key targeted business meetings were part of the agenda.

Marketing, Communications and Research

The VEC continued raising its profile locally and internationally. In addition to supporting key sector initiatives, other milestones in 2015 included: launching a new website in June; receiving close to 100 media requests; hosting journalists from Latin America and France; and significantly increasing the VEC's presence and engagement within social media. The VEC conducted a major study on global perceptions about Vancouver from a business perspective. Finally, a new business and investment guide putting forward Vancouver's competitive advantages was completed, published and circulated in 2015.

PLANS FOR 2016

In 2016, the VEC will continue positioning Vancouver as a globally recognized city for creative, innovative and sustainable business.

Across the VEC's primary areas of focus:

- Based on learnings from 2015, the VEC has determined the recruitment of talent and capital to Vancouver is key to the success of the local technology community;
- Increased public awareness of the impact of climate change, highlights the importance of renewable energy in the VEC's green economy focus;
- The film and TV industry continue to prosper in Vancouver. Efforts will be made to embed more services to support the film industry; and,
- The VEC anticipates additional business in and from Asia as its investments in leveraging business opportunities begin blossoming.

LOOKING AHEAD, 2017-2020

As the local economy continues growing and diversifying, the VEC will consider expanding its services to include sectors such as Life Sciences as well as geographic regions such as Latin America.

Within the Green Economy, the VEC will expand its initiatives and business development to support the City's goal of sourcing 100% of its energy from renewable sources by 2050. Within the innovation and technology sectors, the VEC will continue exploring new ways to leverage City assets, infrastructure and services to enable and strengthen the business ecosystem. Finally, the VEC will continue responding to emerging trends in the digital interactive realm – especially as trends relate to the entertainment sectors.

The VEC will continue expanding its programs within its key sectors to develop and attract talent, diversify and attract capital and bring new business and investment to Vancouver.

In short, the VEC will continue positioning Vancouver as a destination for innovative, creative and sustainable business.

CORPORATE SUPPORT SERVICES

The role of Corporate Support Services is to assist in carrying out City Council's key objectives and business operations and enabling an open, inclusive and participatory municipal government. Corporate Support Services includes the internal services that support and facilitate the delivery of services to the public, as well as select direct services to citizens.

Departments under the Corporate Support Services umbrella guide the City's major initiatives and provide counsel, support, strategic planning and other resources to City departments and the public. Specializing in various aspects of business operations, they include:

- City Manager's Office
- City Clerk's Office
- Finance, Risk and Business Planning
- Human Resources
- Information Technology, Digital and 3-1-1 Contact Centre Services
- Legal Services
- Real Estate and Facilities Management
- Sustainability

CITY MANAGER'S OFFICE

The City Manager's Office (CMO) serves Council and oversees the overall conduct of the City administration in pursuing the City's purpose. The City Manager's Office:

- Reviews departmental programs, budgets and policy initiatives
- Makes recommendations to City Council
- Ensures Council's directives are carried out
- Establishes standards and priorities for civic administration
- Motivates and monitors performance to ensure standards are met, priorities are pursued and high-quality City services are consistently delivered

KEY SERVICES DELIVERED

External Relations and Protocol — Manage public visits by dignitaries, special community awards and protocol events

Economic Development — Work with the Vancouver Economic Commission (VEC) to deliver Vancouver's Economic Action Strategy

Emergency Preparedness and Response — Develop and implement emergency response plans, conduct training and exercises, manage emergencies and deliver emergency preparedness education

Internal Audit — Conduct internal financial and operational audits to ensure policies are complied with and City assets are protected

Vancouver Services Review — Plan and execute transformation projects across the City

Corporate Communications and Engagement — Manage the City's incoming and outgoing major communications through news and other media; develop and implement strategic communications strategies for successful delivery of public policy

MAJOR ACCOMPLISHMENTS IN 2015

External Relations and Protocol

External Relations and Protocol (ER&P) manages visits, meetings and partnerships with dignitaries and delegations from Canada and around the world. ER&P also organizes special events such as City awards, annual events and ceremonies.

In 2015, External Relations and Protocol:

- Oversaw the second annual City of Vancouver Awards of Excellence ceremony, a civic awards program recognizing the outstanding achievements of individuals, organizations and businesses whose efforts make Vancouver a better city. More than 500 nominees and members of the public attended the awards show, held at the Orpheum Theatre;
- Continued efforts to support City of Reconciliation initiatives. The City of Reconciliation, adopted by City Council on September 18, 2014, is a long-term framework built on raising awareness, creating partnerships, and addressing capacity, focusing on the significant relations with the Musqueam, Squamish, and Tsleil-Waututh First Nations, and with the urban Aboriginal community;
- Organized the annual Remembrance Day Ceremony at Victory Square, marking the 91st anniversary of this important ceremony in Vancouver;
- Organized numerous other events including Lunar New Year, Black History Month, National Aboriginal Day, International Day for the Elimination of Racial Discrimination and Raise Your Hands Against Racism Event, 2015 Pride Parade and Pride Week Launch at City Hall;
- Led and coordinated visits by Sister-City mayors, including Mayor Hayashi of Yokohama, Japan and Mayor Chen of Guangzhou, China. These multi-day visits included community dinners, site visits and tours, signing Memoranda of Understanding and unveiling ceremonies of a statue and plaque at City Hall and VanDusen Gardens respectively;
- Coordinated a visit by Her Royal Highness Princess Astrid of Belgium, along with 150 Belgian businesses; and,
- Coordinated a Freedom of the City and tree-planting ceremony in honour of noted environmentalist David Suzuki. Freedom of the City is the highest honour bestowed upon an individual by Mayor and Council. The ceremony is the main event for the Mayor to present the honouree with the Freedom Medal, sign the Book of Freedoms, read and present the scroll of the honourees' accomplishments, and host the honouree's guests for a reception.

Emergency Management

The Office of Emergency Management (OEM) facilitates emergency management activities across the City and between the City and external stakeholders, including activities in all four pillars of the emergency management cycle: mitigation, preparedness, response and recovery. This includes: maintaining the City's Emergency Operations Centre; overseeing corporate-level emergency planning; coordinating and conducting emergency exercises and training; supporting the public safety planning process for large events; and delivering emergency preparedness education to the public.

OEM also manages the Vancouver Volunteer Corps, which includes the City's Emergency Social Services program,[8] Neighbourhood Emergency Assistant Team NEAT[9] (managed by Vancouver Fire and Rescue Services), the VECTOR emergency communications organization,[10] public education instructors and special event volunteers.

In 2015, OEM continued responding to displaced residents and other emergencies, and providing training and support for the Emergency Operations Centre.

Notable events in 2015 included:

- Activating the City's Emergency Response and Recovery Plan,[11] which also included activating the Emergency Operations Centre and field resources to support four significant emergency incidents (totalling 22 activation days) based on the following events:
    - Port Metro Vancouver (PMV) container fire (March 2015);
    - Marathassa fuel spill in English Bay in April 2015 (at two weeks, the longest unplanned activation of the Emergency Operations Centre and incident management team);
    - Windstorm and power outage (August 2015); and,
    - 1335 Howe Street building evacuation (September 2015), which included the first activation of group lodging centres to house evacuees and engaging a combination of Vancouver Volunteer Corps and Community Services staff to support three group lodging sites.
- Conducting an Evacuation and Shelter-in-place Plan[12] exercise;

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[8] ESS volunteers assist at disaster sites and provide essential basic needs for evacuees at reception centres (evacuation shelters). http://vancouver.ca/home-property-development/emergency-social-services.aspx

[9] NEAT volunteers support professional emergency responders in times of a disaster, such as an earthquake, by providing basic medical aid and radio communication support, and collecting disaster intelligence to support first responders. http://vancouver.ca/home-property-development/neighbourhood-emergency-assistance-team.aspx

[10] VECTOR is the City of Vancouver's volunteer Amateur Radio program. VECTOR supports Emergency Management by planning, building, maintaining and operating communications facilities for disaster and routine community service. http://vectorradio.ca/

[11] The Emergency Response and Recovery Plan outlines the overall coordination model that will be used in the event of a major emergency or disaster. It also identifies roles and responsibilities related to several specialized functions and plans, as well as procedures to be followed to facilitate response and recovery operations.

[12] The Evacuation and Shelter-in Place-Plan provides guidance to City departments on the coordination structure and related activities to be followed in the event of an emergency that requires residents to evacuate or shelter in place.

- Approving updated power outage, gas leak and severe weather plans;
- Delivering earthquake response training to more than 200 City staff, including Rapid Damage Assessment training, Disaster Staging Area training and Emergency Operations Centre training;
- Continuing to expand the Vancouver Volunteer Corps, in partnership with Vancouver Fire and Rescue Services; and,
- Two major public events:
    - Holding an Emergency Preparedness Week event at City Hall, which included the Quake Cottage — a small mobile trailer that simulates earthquake shaking, allowing people to experience what a very strong quake might feel like; and,
    - Holding an Earthquake Day public awareness event in partnership with the Vancouver Public Library and UBC Engineering, in conjunction with the annual Great British Columbia Shake Out earthquake drill.

Internal Audit

Internal Audit is an independent assurance service established to examine and evaluate the effectiveness and efficiency of City activities. Annual three-year audit plans assist City management staff in promoting accountable municipal government by establishing a cost-effective and efficient internal control environment to help mitigate the City's risk exposure.

In 2015, Internal Audit:

- Completed eight audits and four reviews, as well as fieldwork on a 2015 risk-based audit plan of 12 audits. All audits were either completed (with audit reports issued), are awaiting management comments or in draft stage;
- Provided advisory service to City staff on policies, procedures and internal controls;
- Represented the City at the Municipal Internal Auditors Association (MIAA) roundtable, intended to promote effective performance auditing, oversight of government operations and providing a platform for municipal auditors to share practices and tools; and,
- Hosted the Greater Vancouver Internal Auditors Training Session, an opportunity to share ideas with peer municipal audit groups while learning about emerging issues from well recognized consulting firms.

Vancouver Services Review

With an emphasis on implementing transformation across the organization, Vancouver Services Review (VSR) plays a key strategic role in ensuring City strategies are integrated throughout various departments, and that optimal services are delivered to citizens in the most efficient and cost-effective way.

VSR's projects have been diverse and far-reaching, impacting many different areas of the organization, including solid waste, warehousing and inventory, consolidated facility services and financial shared services.

In 2015, VSR:

- Implemented the trade permits phase of the Permits and Licences Transformation Program, including expanded mobile inspections and online permitting;
- Completed the first phase of the Legal Transformation project, directed at increasing service delivery efficiency — which included implementing new litigation support software tools;
- Continued assisting Engineering Services in updating project management methodology to best maintain infrastructure and expenses;
- Led a cross-functional City team, including lawyers and subject matter experts, to develop and execute a comprehensive public engagement plan and legal strategy as an official intervenor in National Energy Board (NEB) hearings related to twinning of the Trans Mountain pipeline, formally known as the Trans Mountain Expansion Project;
- Supported the ActiveNet Project, which replaced the Park Board's end-of-life recreation program registration and reservation system; and,
- Led the Oil Spill Response project, which coordinated the legal claim to recover costs the City incurred from the April 2015 Marathassa oil spill, as well as a response plan on how to respond to future oil spills and other emergencies.

Corporate Communications and Engagement

Corporate Communications and Engagement is a centralized resource for the organization, specializing in strategic communications, public engagement and consultation. Communications is responsible for incoming and outgoing communications — which includes developing and implementing strategic communication plans and public consultation programs to support all City departmental work programs, as well as being responsive to media requests, social media and other channels used by the public.

In 2015, the department:

- Developed and managed strategic communications plans for large City initiatives such as the Greenest City Action Plan, Bright Green Summer campaign, Healthy City Strategy Phase 2 Action Plan, Vancouver Housing Initiative, FIFA 2015 Women's World Cup, the VanConnect mobile app, a new framework for marijuana-related businesses, the Trans*Inclusive awareness campaign, and the Vancouver Immigration Partnership, in addition to leading communications efforts during major crises such as the Port Metro Vancouver fire and the Marathassa oil spill;
- Facilitated and coordinated timely responses to media requests and oversaw strategic issues management, including media monitoring services and translation. The department also trained and supported designated media spokespeople in responding directly to media as a result of media policy revisions made in December 2014;
- Provided departments with strategic advice on public engagement and oversight on public consultation initiatives such as False Creek Flats, Cambie Corridor, Burrard Bridge upgrades, Pacific-Burrard intersection redesign, Greenest City Action Plan refresh, and the Georgia and Dunsmuir Street viaducts;

- Engaged a diversity of residents, proactively reaching out online and in-person by deploying Engaged City Task Force recommended tools including: Talk Vancouver; Pop-up City Hall (at 52 locations); a City Pavilion at the Pacific National Exhibition (PNE); and Doors Open Vancouver (which welcomed 8,000 visitors to 20 City buildings). Engagement efforts also included final deployment of updated sign templates for development application sites to provide increased transparency and clearer information;
- Adopted a social media strategy, which laid the foundation for the second year of the award-winning City Bird campaign, and deployed a new social measurement tool for informative feedback;
- Launched a new application for mobile phones, VanConnect, which saw 7,500 downloads since launching in May 2015. VanConnect is a quick and easy way to connect with the City of Vancouver 24 hours a day, 7 days a week;
- Managed internal communications for large business transformations, including the Permits and Licensing Transformation, the Engineering Project Management Office and the introduction of ActiveNet;
- Created content to more easily share internal information with all City employees, in addition to revamping internal web pages;
- Supported public interest campaigns related to: the proposal to twin the Trans Mountain Pipeline, currently with the National Energy Board; the Metro Vancouver Transportation and Transit Plebiscite; the City's housing strategy; FIFA-related event hosting; relocating the Downtown Eastside Street Market; the introduction of citywide Wi-Fi; VanDusen and Queen Elizabeth Park anniversaries; Burrard Bridge upgrades; and Stage 3 water restrictions, implemented during summer drought conditions;
- Updated videography capacity to deliver better quality City of Vancouver video content; and,
- Earned several awards for its work, including a Canadian Public Relations Society award for the City's 2014 election outreach campaign, as well as an honourable mention from the International Association for Public Participation (IAP2) for Organization of the Year for the City's Engaged City Task Force work.

PLANS FOR 2016

External Relations and Protocol

In 2016, External Relations and Protocol will:

- Continue planning, managing and delivering quality annual events, awards and ceremonies as mandated by City Council;
- Continue improving the process for accepting delegation requests required as a matter of protocol, and serving as a strategic value to the organization;
- Continue engaging the Consular Corps of British Columbia on invitations to City events, in addition to liaising with consulates on issues of importance to the City;

- Continue increasing engagement with the three host First Nations as the City endeavours to become a City of Reconciliation;
- Provide leadership to embed the Reconciliation theme into the City's ongoing work program, to build cultural competency and share learning experiences with staff;
- Plan and manage protocol activities relating to the 2016 Americas Masters Games taking place from August 27-September 4, 2016; and,
- Provide protocol support to the City's Canada 150 team as planning for 2017 progresses. Canada 150 is the sesquicentennial anniversary of Confederation. The City of Vancouver is in the planning stages for hosting celebratory activities to mark the occasion.

Emergency Management

In 2016, Emergency Management will:

- Implement a new Emergency Management Information and Common Operating Picture system;
- Implement and evaluate an Emergency Notification System;
- Conduct an Emergency Operations Centre exercise;
- Continue expanding the Vancouver Volunteer Corps, to 1,500 volunteers;
- Update the City's oil-spill response plans in conjunction with regional municipalities and other partners;
- Update the City's Earthquake Response Plan to align with new provincial plans;
- Update Emergency Social Services plans; and,
- Continue implementing the City's Earthquake Preparedness Strategy.

Internal Audit

In 2016, Internal Audit will:

- Release 2015 audit reports in the first quarter of 2016;
- Undertake the 2016 risk-based audit plan, including 12 audits and four reviews. This will include January and July 2016 — six-month follow-ups of audit recommendations;
- Continuously monitor unusual purchase card transactions, employee time entries and pay grade changes;
- To promote accountability and transparency, post audit report abstracts on the City's public website, vancouver.ca;
- Continue leveraging emerging technology, such as data analytics, to audit high risks identified; and,
- Continue promoting accountability in municipal government by hosting the annual Greater Vancouver Internal Auditors Training Session and participating in the Canadian Forum of Local Government Auditors.

Vancouver Services Review

In 2016, Vancouver Services Review will continue delivering on major initiatives that began in 2015 and previous years, including:

- Working with Real Estate and Facilities Management to extend and implement project management best practices;
- Assisting in the area of housing initiatives by introducing effective project management practices;
- Working with fleet user groups across the City to reduce the City's transportation needs and fleet size, in conjunction with other fleet-related initiatives such as the Car Share Program, Green Fleet Plan and vehicle-based GPS;
- Conducting operational reviews of the City's Filming and Special Events groups;
- Working with the Park Board to optimize maintenance of parks, golf courses and street horticulture assets;
- Transitioning the Permit and Licence Transformation program to operations within the Planning and Development Services department; and,
- Supporting ongoing improvements in the Waste Management and Resource Recovery branch of Engineering Services.

Corporate Communications and Engagement

In 2016, Corporate Communications and Engagement will continue providing support to all City departments through multiple platforms, strategies and initiatives to engage citizens in public policy discussions and corporate projects with the greatest impact on Vancouver's diverse communities.

In 2016, Corporate Communications and Engagement will:

- Continue providing high service levels in the areas of media relations and strategic communications;
- Focus on the Engaged City Task Force recommendation to develop specific strategies for engaging under-represented groups. This includes developing a translation framework to address the diverse language needs of Vancouver, and refining the deployment of tools such as Talk Vancouver and Pop-up City Hall;
- Reach the target of 5,000 citizens as members of Talk Vancouver, the City's online engagement panel;
- Adopt and implement the Social Media Strategy in coordination with the Corporate Digital Strategy to support the City's increased use of digital and social media to communicate with citizens and visitors;
- Support designated media spokespeople in responding directly to media resulting from media policy updates;
- Continue improving print and social media monitoring and evaluation, increasing the City's ability to measure the effectiveness of its work; and,

- Support the City's Sport Hosting program, particularly for the upcoming World Rugby Sevens Series in March, and the first-ever Americas Masters Games taking place in August.

LOOKING AHEAD, 2017-2020

External Relations and Protocol

For 2017-2020, External Relations and Protocol will continue managing and delivering quality annual events, awards and ceremonies as mandated by Council, in addition to taking the lead in coordinating all dignitary and delegation visits. Protocol will also support activities related to Canada 150 in 2017, and organizing the inauguration ceremony of Mayor and City Council following the next municipal election on October 20, 2018.

INTERNAL AUDIT

Under direction of the Internal Audit Management Team, Internal Audit will continue conducting performance audits each year to support the City in achieving further efficiency and effectiveness of operational processes from 2017-2020. By maximizing audit resources and leveraging peer knowledge, Internal Audit will continue striving to lead in the area of municipal auditing with the goal of promoting accountability and transparency in municipal government. Internal Audit will maintain use of leading audit technology for all audit programs where feasible.

Emergency Management

For 2017-2020, Emergency Management's plans include:

- Updating the City's Hazard Risk and Vulnerability Assessment (2017);
- Implementing an emergency public notification/alerting system (2018); and,
- Conducting a full-scale earthquake exercise (2019).

Corporate Communications and Engagement

Corporate Communications and Engagement will continue supporting City departments through strategies and initiatives to engage citizens in public policy discussions and corporate projects with the greatest impact on Vancouver's diverse communities.

The strategic approach is to engage the public more quickly and robustly through diverse online tools and mobile interactions, such as our social media channels and the VanConnect mobile app.

The number of creative projects is projected to increase based on rising expectations related to: the number of graphic and digital design support requests, to raise the profile of policy objectives and awareness of City programs; engaging citizens in discussions about City content; and an appetite for enhanced information that will allow interested stakeholders to easily browse, view and interact with City content. Going forward, the aim is to be more relevant, authentic and effective in communicating with residents and other community stakeholders. Ultimately, this creates a more informed and engaged community.

DEPARTMENT SERVICE METRICS

External Relations and Protocol

Since 2011, the number of events, official visits and community and interdepartmental teams managed by External Relations and Protocol has remained relatively constant. However, work has increased in complexity and scope; examples include the Awards of Excellence program and ceremony, and the 30th and 50th anniversary celebrations of Vancouver's Sister-City relationships with Guangzhou and Yokohama respectively.

The number of delegations and courtesy visits changes yearly, based solely on external requests received. In 2015, the total number of visiting government officials and staff increased substantially due to the receipt of large delegations from Yokohama, Japan, Guangzhou, China, and HRH Princess Astrid of Belgium (who visited Vancouver with 150 Belgian businesses).

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
External Relations and Protocol	Quantity	Interdepartmental Working Groups facilitated to manage Protocol-supported events	5	6	39	17	19
	Result	Total visiting government officials and staff engaged in positive diplomatic relations	141	209	124	555	717
		Community and Cultural organizations engaged in Protocol-supported event planning	10	11	28	25	43

Internal Audit

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Internal Audit	Quantity	# of Audit & Reviews Performed	11	9	12	12	13

Vancouver Services Review

Since 2009, when VSR was created, the number of projects has increased significantly.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Vancouver Services Review	Quantity	# of Active Projects	11	14	23	21	22

Corporate Communications and Engagement

Corporate Communications continues to support City departments through strategies and initiatives to engage citizens in public policy discussions and corporate projects that have the greatest impact on Vancouver's diverse communities.

In 2015, use of social channels to disseminate information about City services and programs continued expanding, there was increasing responsiveness to queries from the media, and expanded public engagement. The strategic approach with outgoing information bulletins is to be flexible and responsive, and engage with the public more quickly and robustly by integrating and aligning the City's tools and tactics.

The number of creative projects is projected to increase based on rising expectations for graphic and digital design support to raise the profile of policy objectives, increase awareness of current City programs, engage citizens in discussions about City content, and enhance information by allowing people to easily browse, view, and interact with content. The aim is to be more relevant, authentic, and effective in communications with residents and other community stakeholders. Ultimately, this creates a more informed and engaged community.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Corporate Communications	Quantity	incoming Media calls	3,064	2,502	2,979	3,000	3,700
		outgoing information bulletins, press releases, statements, media events	211	90	104	216	270
		creative projects per year (advertising, project communications, graphic design, writing)	282	270	403	443	680
		Total followers on all active accounts	NDA	186,534	209,883	200,439	289,300

CITY CLERK'S DEPARTMENT

KEY SERVICES DELIVERED

Archives — Manage City records and make them available for public access.

Council Support — Provide City Councillors with executive administrative support.

Elections Management — Hold elections for City offices.

Legislative Operations — Lawfully conduct Council, committee, and other official public meetings; support the coordination of intergovernmental relations activities.

Access to Information — Oversee Freedom of Information request process and manage City corporate records.

MAJOR ACCOMPLISHMENTS IN 2015

On an ongoing basis, the City Clerk's Department provides administrative and information services to Council, its committees, boards, City departments and citizens. The department also provides support and coordination to the directors of Metro Vancouver and staff supporting their work. Another function performed by the department involves responsibility for managing Freedom of Information (FOI) requests for the City.

In 2015, the City Clerk's Department had key achievements in the following areas:

- **Corporate Records Management** — Corporate records management practices were reviewed to ensure consistency with accepted best practices for public organizations and ensure effective use of resources;
- **FOI Process Review** — Processing efficiencies were identified and have resulted in improved resource allocation;
- **Municipal Election** — A comprehensive review of planning and delivery of the 2014 election was undertaken; results were publicly shared with Council. The review was the first of its kind for the City. Findings will inform the next municipal election in 2018;
- **Vancouver Archives** — Temporary storage space with Library and Archives Canada was secured that will enable staff to make additional records accessible to the public beginning in 2016; and,
- **Vancouver Archives and Vancouver Public Library (VPL)** — These two organizations formed a partnership to identify strategic opportunities to enhance operations and services each delivers, particularly relating to public access. This marks a significant step forward as the City moves toward planned relocation of the Archives to the VPL's main building.

PLANS FOR 2016

In 2016, City Clerk's Department plans include:

- **FOI request-processing improvements** — Identifying opportunities to further enhance City transparency by implementing a departmental proactive release process of information not routinely available unless requested under the *Freedom of Information and Protection of Privacy Act* (FOIPPA);

- **FOI and public accountability** – Implementing routine public quarterly reporting of FOI service level metrics;
- **Vancouver Archives** – Expanding the volume of records available to the public through use of additional space secured in 2015. Staff will also upgrade functionality of the holdings management database to accommodate FOIPPA and donor-imposed restrictions;
- **Vancouver Archives/Vancouver Public Library Strategic Plan** – Beginning in 2016, the Vancouver Archives (Archives), in partnership with Vancouver Public Library (VPL), will develop an Archives/VPL 2017-2020 strategic plan – the first joint planning exercise. As part of this process, the Archives will seek community feedback on its services;
- **Council Report Management Support System** – Defining the requirements and developing an effective and efficient integrated solution to eliminate use of multiple, non-integrated systems (currently in use) to manage the council report approval processes;
- **Election** – Completing site assessments of 2014 voting places, and identifying possible voting locations for 2018 based on defined site requirements while also preparing for possible online voting in 2018 (should the Province of British Columbia amend governing election legislation); and,
- **Corporate Records Management** – Completing corporate records management practice review and implementing recommendations for efficiencies, to maintain the safety and security of corporate records that is consistent with accepted industry best practices.

LOOKING AHEAD, 2017–2020

For 2017-2020, the City Clerk's Department plans to undertake action in the following areas:

- **2018 Municipal Election** – The next municipal election will be held October 20, 2018. In 2017, staff will complete election planning, beginning the delivery phase in late 2017. The focus will be to further remove barriers to voting while continuing to increase voter engagement and turnout;
- **FOI request-processing** – Continue reviewing opportunities for proactive release across the organization;
- **Corporate Records Management** – Review use of VanDocs, the internal file storage system, across the organization to identify departments with lower usage and implement a plan to increase use; and,
- **Vancouver Archives** – Begin implementing the first joint Vancouver Archives/VPL strategic plan. This will likely result in increased integration of archive and library services to more effectively meet the needs of the Vancouver community, as well as co-location of the Archives in the main library.

DEPARTMENT SERVICE METRICS

Vancouver Archives

Inquiries from the public and City staff reached a peak in 2011 as a result of Vancouver 125 anniversary projects and celebrations, as many required use of Archives services and holdings. Since then inquiries have been stable at about 2,500 per year, but the annual number of inquiries varies depending upon interest — generated by outreach opportunities, celebratory events, and the ever-increasing amount of digital material the Archives provides online.

The availability of online materials can provide enough information to satisfy casual users (without need for any interaction with Archives staff), but often leads to further questions about subject matter and/or other holdings.

It is anticipated the Archives will see another increase in inquiries in 2016 and 2017 as individuals and organizations embark on Canada 150 anniversary projects that require access to archival material.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Archives	Quantity	# of inquiries	3,051	2,713	2,465	2,493	2,400

Elections Management

Beginning in 2014, municipal elections moved to a four-year cycle. The next general election will be held in 2018. To prepare for that election, staff will continue seeking ways to eliminate perceived voting barriers to increase voter turnout and engagement.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Elections Management	Quantity	# of Registered Voters	418,878	NDA	NDA	415,978	NDA
		# of Voter Turnout	144,823	NDA	NDA	180,668	NDA
	Quality	% of Voter Turnout	34.5%	NDA	NDA	43.4%	NDA

Legislative Operations

For the past several years the total number of Council meetings has been fairly consistent — with minor variations occurring depending on Council business. The number of meetings of Council standing committees was down modestly in 2014 due to a recess in meetings during the fall election period.

The number of citizens speaking to Council continues to vary based on meeting agenda topic.

Citizens' interest in appearing before Council to share their views is important to the policy process and expected to remain strong as Council and citizens engage in the policy dialogue.

The City works diligently to ensure citizens have convenient ways and venues to provide input (see engagement metrics from Corporate Communications). In 2014, the total speakers at meetings was also lower due to the reduced number of Council meetings held during the fall election period.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Legislative Operations	Quantity	# of Standing Committee meetings	46	26	22	20	22
		Total Speakers at Meetings	1,505	1,085	1,044	741	1,124

Records Management

In 2015, the City responded to all Freedom of Information (FOI) requests within statutory timeframes. Since 2012, generally, the total number of FOI requests has been trending upwards — a pattern expected to continue. On average, more than 40% of requests are generated through media inquiries.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Records Management	Quantity	# FOI Requests per year (formal)	410	355	379	371	395
		# FOI requests - media	176	116	164	172	158
		Media (% of total FOI requests)	43%	33%	43%	45%	40%

FINANCE, RISK AND BUSINESS PLANNING

The Finance, Risk and Business Planning department provides services across all city service areas. These include corporate functions such as supply chain, accounting and treasury, as well as advisory services such as business planning, financial planning and analysis, risk management and program management to enhance decision making and service management with a focus on value for money.

KEY SERVICES DELIVERED

Accounting Services — Process financial transactions, including accounts payable and receivable (billing and collections) and payroll, and prepare financial statements in accordance with generally accepted accounting principles.

Financial Planning and Analysis — Prepare the City budget and other financial plans while monitoring and reporting on financial and service plan performance.

Treasury — Manage cash, investments and debt.

Corporate Business Advisory — Provide internal business advisory consulting services on a wide range of City initiatives.

Corporate Risk Management — Manage and mitigate the City's risk exposure.

Supply Chain Management — Purchase and inventory goods and services.

Strategic Planning and Program Management — Manage technology and process improvement projects.

MAJOR ACCOMPLISHMENTS IN 2015

In 2015, the Finance, Risk and Business Planning (FRB) continued refining and improving its processes and systems with a focus on standardizing and simplifying to deliver improved quality and greater efficiency.

Specifically:

- Financial processes were standardized and the accounting functions consolidated for the City's civic theatres, marinas and recreation programs;
- Procurement processes for the Vancouver Public Library were aligned with those of the City's Supply Chain Management group;
- Standard time entry processes were implemented across several key City business units;
- Standardized and automated financial reporting has improved the ability of managers across the City to closely monitor financial performance; and,
- The City has prepared Public Sector Accounting Board changes regarding financial reporting for contaminated sites.

A number of Continuous Process Improvement (CPI) projects were completed in 2015, including:

- Assisting the Park Board to enable delivery of a streamlined parks permit application process utilizing the new ActiveNet system, increasing customer satisfaction with the recreation program registration system and process;
- The Legal Services Transformation project, designed to reduce administrative and supply costs within the Legal Department in addressing legal issues in addition to reducing the turnaround time for initiating and resolving legal matters;
- The Water Consumption Complaints project, which has dramatically reduced the time required to investigate and resolve water billing-related complaints; and,
- Additional CPI projects achieved significant results to improve administrative and operational processes across the organization.

Other accomplishments in 2015 included:

- Completing phase two in consolidating the City's warehouse and inventory functions; metrics on inventory turns and levels continue to improve;
- Identifying critical City services and enhancing City business continuity plans in consideration of recent events such as windstorms, power outages and other business disruptions;
- Developing category plans for major procurement areas, to help ensure the City is getting best value-for-money in contracting external resources;
- Ensuring City compliance with current Payment Card Industry (PCI) Version 3 requirements to protect information security for those making credit card payment transactions with the City and minimize risk of security breach; and,
- Supporting creation of the Vancouver Affordable Housing Agency (VAHA), developing business and financial models which balance City oversight and innovation through key partnerships.

Also worth noting is that the City's debt levels, which had grown annually, have stabilized and remain within target levels through the 2015-2018 Capital Plan. Improved debt levels, as well as improved financial reporting and transparency, resulted in improved ratings from the City's credit agencies in 2015.

PLANS FOR 2016

Plans for 2016 include:

- Aligning work completed on the City's consolidated budget with the service planning process to ensure appropriate funding is directed toward advancing strategic goals;
- Improving the City's capital asset management processes through development and implementation of a capital asset management plan;
- Collaborating with Information Technology and Digital Services to increase online access for financial transactions for internal and external users;

- Leveraging business intelligence tools for insights into operational and financial performance to support data-driven decision making;
- Improving delivery of capital projects, and ensuring the realization of benefits remains a focus in 2016;
- Completing the final phase of the City's consolidation of warehouse and inventory functions;
- Continuing to build on the City's Enterprise Risk Management framework and Business Continuity Management program to identify and mitigate critical risks to the City;
- Taking next steps to help transition the City from a functionally focused organization to a process-oriented one by identifying key value streams that cross functional boundaries and implementing improvement plans, leveraging the overall strength of the Continuous Process Improvement program; and,
- Establishing an Enterprise Payment Strategy to standardize payment receipt and remittance across all services and business units.

LOOKING AHEAD, 2017-2020

Plans for future years include:

- Improving capital project estimates for schedule and budget, while more effectively managing and coordinating interdependent projects in the City's capital project portfolio;
- Supporting the standardization of project management processes Citywide, building on the Engineering and Technology project management offices and standards;
- Implementing Employee Self-Serve & Management Self-Serve systems to improve online access for staff to facilitate time entry, vacation management, benefits management and workflow management;
- Leveraging technology to build on gains realized through Continuous Process Improvement program efforts by automating the execution, monitoring and control of key business processes Citywide;
- Focusing on the Resilience of Critical Infrastructure in planning for future asset management; and,
- Implementing the Supply Chain Life Cycle management system and processes.

DEPARTMENT SERVICE METRICS

Accounting Services

From 2010-2015, the number of tax folios in the City has increased from 185,300 to 197,776, reflecting development growth in Vancouver.

More than 97% of property taxes are paid, with only a small percentage requiring follow-up; the City has authority to enter into a tax sale to recover any property tax still owing. Accounting Services' ensures accurate reporting of the City's financial transactions. An unqualified report by external auditors indicates the City's Financial Statements are accurately reported.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Accounting Services	Quantity	# of tax folios	187,700	190,000	192,500	195,092	197,776
	Result	% of current taxes outstanding	2.61%	2.49%	2.49%	2.66%	2.50%
		Unqualified Audit	Yes	Yes	Yes	Yes	Yes

Financial Planning and Analysis

The City's budgeted operating expenditures are approved by Council as part of the City's budget process. Since the economic downturn of 2008, the City has moderated its expenditure growth. Over the past five years, it has maintained a lower property tax increase (between 1.4% and 2.8%) than in prior periods. Managing debt levels is a key metric for ensuring the City's financial sustainability. As a percentage of operating expenditures, tax-supported debt charges are targeted between 6% and 10%. With strong debt and financial management, the City continues to enjoy one of the strongest credit ratings of all Canadian municipalities.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Financial Planning and Analysis	Quality	Tax increase compared to prior-year outlook	1.88%	2.84%	1.36%	1.62%	2.40%
		Tax-supported debt charges as a % of operating expenditures	7.6%	7.7%	7.8%	7.9%	8.0%
	Result	Operating Expenditure Budget (in $ millions)	$1,031	$1,127	$1,148	$1,179	$1,224
		City of Vancouver Credit Rating	Aaa/AA/AA	Aaa/AA/AA	Aaa/AA/AA	Aaa/AA	Aaa/AA+

Procurement (Supply Chain)

From 2010 to 2013, the Supply Chain Management (SCM) department established centrally managed contracts for goods and services through a competitive procurement process. While this process continues, most of the City's largest vendors are now under contract; as such, the number of contracts awarded has decreased over the last two years. We expect this trend to continue until older contracts expire and need to be renewed. The vast majority of contracts that are awarded continue to be competitively bid.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Procurement (Supply Chain)	Quantity	Contracts Awarded (in millions $)*	80	130	202	128	120
	Result	% of Contracts competitively bid*	93.2%	96.8%	98.9%	98.0%	98.0%

Treasury

With the current lower interest-rate environment, the City's borrowing and investing rates have continued to decline. To ensure liquidity for the City, investments are shorter term; thus, they reflect the rate decline more rapidly than long-term debt. Higher cash balances reflect an increase in development-related funds for delivery of future amenities. The City has reduced overall debt levels as the Olympic Village debt was retired in 2014 and Capital-related debt has been stabilized.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Treasury	Quality	Average rate of interest on outstanding debt	4.36%	4.23%	4.17%	4.03%	4.02%
		Average rate of return on investments	2.65%	2.33%	1.98%	2.00%	1.75%
	Result	Total debt outstanding (in $ millions)	1,064	1,008	950	868	943
		Total investment & cash balance (in $ millions)	788	1,115	1,370	1,589	1,784

HUMAN RESOURCES

The Human Resources (HR) department provides support across all business units in the hiring, development, compensation and management of staff throughout the City through a number of key services including employee compensation and benefits, employee relations, Organizational Development, Health and Safety and Recruitment and retention of employees.

KEY SERVICES DELIVERED

Employee Compensation and Benefits — Provide employees with fair and equitable compensation.

Employee Relations — Negotiate employment contracts with employees and bargaining agents.

Organizational Development — Provide employees with learning opportunities to support their jobs.

Organizational Health and Safety — Develop and implement health and safety plans to support a safe work environment.

Attraction, Recruitment and Retention — Provide support to attract and retain appropriately skilled employees.

MAJOR ACCOMPLISHMENTS IN 2015

In 2015, Human Resources continued to advance a number of key initiatives including:

- **Streamlining recruitment and hiring processes** — Building on significant changes implemented in 2014, HR continued its focus on improving the City's recruitment and hiring processes. The organization also continued to realize savings by handling senior-level recruitment in-house and reducing reliance on external search firms. HR also completed implementing best-practice hiring processes and centralizing recruiting resources supporting the Park Board. By reallocating existing HR and operational resources, the Park Board has experienced substantial improvements in efficiency, fairness and outcomes for recruitment-related activities; and,

- **Improving safety performance** — The City continued focusing efforts on improving safety performance and reducing time lost to injury and illness. For the 12-month period ending June 30, 2015, the City achieved its lowest-ever rate of work-related injuries. This builds on 2014 results, which represented the City's previous best 12-month performance for work-related injury prevention.

  HR has been working closely with WorkSafeBC to minimize costs associated with administrative process delays. Additionally, WorkSafeBC has enlisted the City of Vancouver in supporting broader reduction in injuries and related costs across the local government sector by promoting City programs as best-in-class. Worth noting is that any reduction in claim costs for the sector benefits the City, as they result in an overall reduction of base insurance rates for the local government rate class.

Internally, HR is implementing a digital case management system to improve efficiency in managing disability case files and delivering detailed performance analytics.

PLANS FOR 2016

In 2016, HR will continue focusing on supporting ongoing transformation of City services and strengthening organizational culture. The department has begun expanding the centralized recruitment function, now in place for the Park Board, to other business units Citywide. HR recently completed a comprehensive review of the City's corporate training programs and will be implementing changes over the coming year to ensure investment in these programs addresses the evolving demands for leadership and other skills organization-wide.

LOOKING AHEAD, 2017-2020

Beyond 2016, Human Resources aims to shift its focus and resources to support an increase in talent and succession planning across the organization. HR is also exploring enhancements to the City's existing systems as well as new technology solutions to streamline administrative processes and simplify performance monitoring and regulatory compliance.

DEPARTMENT SERVICE METRICS

Training and Development

Through 2015, the City continued expanding use of online learning in corporate training programs as a cost-effective complement or substitute for classroom sessions. Through a recent review of the corporate training program, HR identified several opportunities for improved effectiveness that will be actionable 2016 priorities.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Organizational Development	Quantity	Number of corporate training participants	1,858	2,348	2,305	2,580	2,500

Organizational Health and Safety

Employee health and safety remains an organizational priority. Significant effort has been invested in preventing workplace injuries and mitigating days lost due to injury and illness. As a result, the forecast injury rate for 2015 was the lowest in the City's history. The metric represents time-loss injuries per 100 workers, a key indicator of safety results.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Organizational Health and Safety	Quantity	Time-loss injuries per 100 workers	5.86	6.31	5.84	4.90	4.50
	Result	Duration of WorkSafeBC claims (days)	49	45	39	39	39

Attraction, Recruitment and Retention

Recruitment and retention of qualified, motivated staff has direct implications for the City's operational effectiveness, while the volume of recruiting activity represents a significant driver of demand on the department's services. The forecast number of new hires in 2015 and the City's overall attrition rate remain stable, with retirements continuing to represent the predominant reason for employee departures.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Attraction, Retention, Recruitment	Quantity	# of new hires (excluding Police and Library)	890	522	527	806	800
	Quality	Overall regular employee turnover % (including retirements)	5.20%	4.80%	4.70%	5.10%	5.00%

INFORMATION TECHNOLOGY, DIGITAL AND 3-1-1 CONTACT CENTRE SERVICES

The Information Technology, Digital and 3-1-1 Contact Centre Services groups provide services across all City service areas. This includes driving the application of technology to promote City business by demonstrating leadership in enabling user-friendly IT services for staff and citizens, and providing corporate information systems, technology infrastructure, applications, voice, data and printing services to assist City departments.

The consolidated 3-1-1 Contact Centre and Digital Services team enables the City to target digital and contact centre services in a strategic, cost-effective manner, making the City of Vancouver more accessible to the public. The City's Digital Strategy provides an overarching framework to coordinate and prioritize digital initiatives underway across the City and provides a step forward in establishing Vancouver as a leader in effectively leveraging digital technologies and supporting a vibrant digital economy.

KEY SERVICES DELIVERED

IT Business Applications — Develop, acquire and support business applications that City departments rely on for managing operations and delivering service.

Corporate Data Management — Manage corporate data efficiently and securely.

IT Infrastructure Maintenance — Support and maintain hardware devices used by City staff.

IT Service Delivery — Respond to City staff technology issues through the IT Helpdesk.

Digital Services — Develop and implement initiatives to leverage digital technology in delivering effective and efficient services and citizen engagement.

3-1-1 Contact Centre —As the City's primary contact point for telephone, text, email, and social media channels, accept and action inquiries and service requests.

MAJOR ACCOMPLISHMENTS IN 2015

The City's Digital Strategy provides an overarching framework for coordinating and prioritizing digital initiatives underway across the City. This marks a significant step forward in establishing Vancouver as a leader in effectively leveraging digital technologies and supporting a vibrant digital economy. In 2015, significant advancements were made on this strategy reflecting combined efforts from Information Technology, Digital Services and 3-1-1 in partnership with other business units Citywide.

Key accomplishments include successfully implementing new technologies supporting several critical business transformation projects:

- The Permits and Licensing Transformation Project, involving a major technology replacement, which remains a priority for Information Technology and Digital staff;

- Implementing major new business applications supporting the delivery of Park Board recreation programs and Legal Services;
- Implementing a new contract for mobile devices and wireless service;
- Significantly reducing the number of printers and associated costs; and,
- Realizing technology changes required to meet industry standards for the security of City-accepted credit card transactions.

VanConnect Mobile App Launch

In 2015, the City launched VanConnect, a best-in-class mobile application offering citizens a new digital channel to interact with the City and submit service requests. As a complement to the City's vancouver.ca website, 3-1-1 Contact Centre and other function-specific mobile applications, VanConnect represents a user-friendly and cost-effective channel for connecting the public to City services. Other improvements are being made on an ongoing basis to the City's website and other online applications, making it easier and much more cost-effective for people to find information and transact business with the City.

Enhancing Digital Infrastructure

- In 2015, the City made progress on enhancing its digital infrastructure. In the City's key administrative buildings, City-managed Wi-Fi access has been expanded for employees and the public. The City also concluded an agreement with TELUS to provide free, high-quality public Wi-Fi access at 43 high-traffic City and Park Board facilities — including community centres, pools and civic theatres. TELUS and the City are presently working to expedite installation of the physical infrastructure required to support this new service.
- The City also amended its administrative protocol and fee structure relating to the installation of cellular antennae on City street poles, changes made to support investment by private telecommunications firms to enhance citywide cellular and Wi-Fi connectivity.

3-1-1 Operation

The City's 3-1-1 Contact Centre operation, commonly referred to as 3-1-1, continues experiencing an increase in demand (e.g., number and complexity of phone and social media interactions, as well as email and voicemail), putting pressure on service levels. Accordingly, staff are identifying and implementing technology solutions to mitigate demand while maintaining a high level of responsiveness to the public; this includes more effective use of interactive voice response and online channels.

PLANS FOR 2016

For 2016, priorities for Information Technology, Digital Services and 3-1-1 include:

- Continuing to support implementation of major business transformation initiatives and take advantage of digital service delivery and mobile technology to achieve them;
- Advancing the City's capacity for large-scale data analytics and reporting, including geographical data;

- Continuing to optimize productivity by shifting inquiries and transactions to online and mobile platforms, including enhancements to existing web and mobile applications;
- Prioritizing the replacement of hardware and software to optimize productivity and reliability and mitigate any risk associated with assets as they approach end of life; and,
- Developing a strategy for long-term expansion and management of the City's fibre optic network.

LOOKING AHEAD, 2017-2020

Beyond 2016, IT and Digital Services will focus on optimizing the City's existing technology and identifying emerging solutions to increase operational efficiency and improve the user experience for members of the public interacting with the City over digital channels. In this regard, adoption of mobile technology by staff and the public will remain a significant driver.

To support business units increasingly reliant on digital technology, the City will also need to address long-term needs relative to network capacity and data storage. The ongoing evolution toward ubiquitous connectivity of physical assets (e.g. vehicles, equipment, buildings) presents a real challenge.

Over this period, advancements in data analytics and reporting capacity will remain an ongoing priority. Organization-wide, improvements in this area will be essential to delivering efficiency and service outcomes.

DEPARTMENT SERVICE METRICS

3-1-1 Contact Centre

3-1-1 has been working to absorb ongoing growth in contact volumes, though service levels have been impacted by increasing demand over the past year. The gradual increase in abandoned calls (calls terminated before being answered by a 3-1-1 agent) reflects longer answer times, as well as improved use of interactive voice response technology to provide information directly to callers — replacing need for direct contact with City staff.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
3-1-1 Call Centre (Customer Service)	Quantity	Calls Offered	711,650	823,237	889,194	927,922	974,318
		Contacts Offered (includes email, etc)	738,254	864,706	923,336	963,604	1,011,784
		Year-over-year growth in contacts offered	23%	15%	7%	6%	5%
	Quality	Service Level (% answered within 60 seconds)	*76.9%	*83.0%	*76.6%	*70.5%	*60.0%
		Abandon Rate (% calls dropped)	5.1%	4.1%	5.7%	7.1%	8.0%

*Restated from prior measurement of "% answered within 30 seconds" as the service level measurement changed in 2015

Digital Strategy and Web Operations

Traffic to the City's website, vancouver.ca, remained relatively steady over the past three years. Site visits forecast to year-end 2015 reflect some growth, though that forecast was also impacted by a change in the technology and methodology used to monitor traffic. Apart from total site visits, the City continues experiencing growth in revenue collected through online transactions and other digital applications.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Digital Strategy and Web Operations	Quantity	Site visits (in million)	9.4	8.2	8.2	8.6	10.5
		Page views (in million)	NDA	NDA	29.0	26.2	25.8

Corporate Data Management

The move towards a digital environment will mean the City's data storage management needs will continue growing. Over the next four years, the emphasis on information and data management and analytics (Business Intelligence) will be a major focus. The City will also continue growing and developing its Open Data program.

Growth in 2015 allows for the transition to high-availability storage (meaning reduced downtime for expansion and maintenance) and provides for ongoing storage demand that is increasing due to the use of digital methods (such as email, electronic documents and picture files.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Corporate Data Management	Quantity	Volume of data managed (in terabytes)	387	410	540	641	1,021

IT Infrastructure Maintenance

A high level of reliability for the corporate network will remain vital as digital methods for conducting business become more widespread and standard Citywide. Over the next few years, several key areas of strategic investment will require dependable and robust infrastructure:

- The City's mobility strategy will change how the City delivers services and interacts with members of the public as staff will increasingly depend on mobile technology to provide services to businesses and residents;
- The continued move to deliver increased online access to City services will mean the digital channel will be critical for day-to-day City operations; and,
- Implementation of a management plan for printer services will reduce the City's carbon footprint.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
IT Infrastructure Maintenance	Result	% of network uptime	99.80%	99.93%	99.93%	99.50%	99.60%

LEGAL SERVICES

The Legal Services Department delivers professional effective legal services and advice to the City of Vancouver in support of City Council to:

- Ensure the City functions within its governing legal framework;
- Maximize the value of City services and the recovery of resources available to it;
- Minimize the City's exposure to liability and expense;
- Preserve the viability and integrity of the City's regulatory and legislative processes;
- Keep City Council and City Departments apprised of changes in the law, both statutory and common law, and to assist in the incorporation of such changes into City policies and procedures; and,
- Contribute to making municipal government constitutional, effective and publicly accessible, thereby justifying public confidence.

KEY SERVICES DELIVERED

Legal Advisory — Provide a complete range of legal services to the City, its Boards, officials and staff.

Litigation — Advance and defend the City's legal interests in court and before various tribunals.

Bylaw Prosecution — Enforce bylaws and Council resolutions by way of civil injunctions, and prosecute alleged bylaw offences.

Construction, Procurement and Technology — Provide comprehensive corporate commercial support relating to procurement, technology, sustainability and various capital projects.

Development and Real Estate — Provide comprehensive land law services and advice relating to the City's land rights and interests, in addition to regulating (through various bylaws) the construction and development of land and buildings.

MAJOR ACCOMPLISHMENTS IN 2015

In 2015, Legal Services continued to provide ongoing strategic advice to the City on streamlining regulatory and business processes, policy development and methodology for acquiring public benefits. Work also continued on various ongoing major City initiatives, including:

- Affordable Housing;
- Greenest City 2020 Action Plan;
- Digital Strategy ;
- District Energy;
- Heritage Conservation; and,

- National Energy Board hearings on an application submitted by Kinder Morgan Canada relating to the twinning of the Trans Mountain pipeline, formally known as the Trans Mountain Expansion Project.

Also in 2015: through a business transformation project introduced by the Vancouver Services Review group, Legal Services implemented several phases of new technology aimed at protecting legal information and increasing service delivery efficiency.

PLANS FOR 2016

In 2016, Legal Services will continue supporting major City initiatives, including:

- Reviewing and refining City bylaws and related policies, such as those related to public benefits, heritage preservation, zoning and development, use of City land, rental accommodation and building maintenance standards;
- Implementing additional initiatives in the areas of housing affordability, sustainability and digital expansion; and,
- Continuing to streamline corporate processes, such as those related to procurement, freedom of information requests and development approvals.

The department will continue pursuing improvements in technology and business processes enabling Legal Services to work even more strategically and effectively in addressing increasingly complex legal work. Through improved technology, the department will also engage other City departments with a view to streamlining work intake processes — which will improve service delivery, Citywide.

Work will also continue on developing and implementing strategic service delivery tools, such as templates and standard form agreements, checklists and Legal Services/Business Unit protocols, to increase efficiency and productivity for Legal Services and other corporate business units. Such tools will also increase the department's ability to monitor progress and outcomes. The goal is to maximize the City's in-house legal work, which is highly cost-effective to the organization, while facilitating internal access to our legal services.

LOOKING AHEAD, 2017-2020

From 2017-2020, Legal Services will continue fulfilling its mandate of delivering a full range of legal services and advice to the City of Vancouver and will provide support for major City initiatives.

Legal Services will also work on implementing approved and finalized future state business process improvements to optimize efficiencies and service delivery to business units Citywide.

REAL ESTATE AND FACILITIES MANAGEMENT

Real Estate and Facilities Management (REFM) provides full real property and building assets (approximately 550 buildings) as well as lifecycle management functions. It consists of three main service areas:

- Real Estate Services (Development and Operations);
- Facilities Planning and Development (Planning, Development, Environmental, and Energy and Utilities); and,
- Facilities Operations (Maintenance and Operations, including Property Management and Work Control and Optimization, and Corporate Security).

KEY SERVICES DELIVERED

Asset Management (Buildings and Property) — Provide and manage corporate facilities through their lifecycle, from design to decommissioning, including long-term planning.

Corporate Security — Provide and administer plans and standards to ensure security for corporate facilities.

Real Estate — Provide advice and leadership in negotiating and managing the purchase, lease and sale of corporate property assets; also provide advice and leadership in analyzing and negotiating settlement of Community Amenity Contributions and Heritage Revitalization Agreements.

MAJOR ACCOMPLISHMENTS IN 2015

Real Estate Services

Throughout 2015, Real Estate Services (RES) acquired, leased (including licenced) and disposed of properties and facilities to support delivery of civic programs and services — including those related to the Housing and Homelessness Strategy and 14 supportive housing sites. RES also provided advice and support on settling Community Amenity Contributions and Heritage Revitalization Agreements related to specific market development projects.

The year saw the start of a strategic review of the Property Endowment Fund (PEF) property portfolio, seeking to identify City properties underperforming relative to appropriate benchmarks. This review included regular discussions with the PEF advisory panel, and development of a draft transfer pricing policy for shifting City-owned properties to and from the PEF.

Facilities Planning and Development

Facilities Planning and Development (FP&D) has developed a Seismic Risk Assessment Program for City facilities based on the following priority principles: emergency preparedness; business continuity; and high-occupancy buildings. This program will ensure limited funding is used in the most responsible way and based on corporate priorities while addressing safety concerns.

For City facilities, all building conditions have been reviewed under the department's Asset Management Program. This robust information-gathering initiative includes detailed facility condition indexes and development category indicators and has informed the City's long-term planning outlook, as well as the 2015 budget implementation and the 2016 draft budget development for building replacements, renovations and maintenance. FP&D has worked with many other City stakeholder groups to deliver civic projects (i.e. childcare, housing, cultural, social, library and recreation facilities) initiated through rezoning.

FP&D also started developing a Universal Accessibility Program[13] for all City facilities and has been successfully working with the Persons With Disabilities and LGBTQ2+ (lesbian, gay, bisexual, transgender, two-spirited and queer communities) Advisory Committees.

In 2015, FP&D delivered approximately 135 projects ranging from capital maintenance and replacement, to renovations, additions and new buildings — including community and civic facilities, housing and Property Endowment Fund facilities.

Environmental Planning is leading the City's Zero Waste Program, resulting in 417 tonnes of waste being diverted from landfill from January 1 to July 31, 2015. To date, the average diversion rate for City facilities (103 participating facilities) is forecast at 75.1%, up from 74% (actual) in 2014. In 2015, the Corporate Zero Waste Program expanded to include service/work yards and deconstruction waste.

Environmental Planning continues managing all City-owned contaminated sites and hazardous materials, as well as environmental regulatory processes and environmental emergency response. Enhancement of the Hazardous Materials Inventory Database continues; at July 31, 2015, it was 70% complete. Development of a database of City-owned contaminated sites is currently in progress.

The Facilities Energy Management Strategy was developed and implemented in 2014, with a target to exceed the Greenest City 2020 Action Plan goal of reducing greenhouse gas (GHG) emissions by 20% between 2007 and 2020. In 2015, GHG emissions from City-owned facilities have been reduced by 21% compared to 2007, meaning that 2020 targets have already been achieved and exceeded.

FACILITY OPERATIONS

Facilities Maintenance and Operations

With the assistance of the Vancouver Services Review (VSR) group, Facilities Maintenance and Operations (FM&O) has completed an organizational structure review and is implementing related recommendations. When the recommendations have been fully implemented in 2016, FM&O will be well-positioned as a centre of excellence for providing best practices, departmental support and services to the entire City portfolio.

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[13] The Universal Accessibility Program helps eliminate barriers and obstacles within municipal facilities to enhance the quality of life and civic involvement of residents with disabilities.

Other key accomplishments in 2015 included:

- Operationalizing the Park Board Service Level Agreement (signed in 2015) and progressing the transition of all maintenance and operations of Park Board facilities to REFM;
- Commencing the transition of operations and maintenance of Britannia Rink and Pool from Vancouver School Board to REFM;
- Implementing custodial services benchmarking for the Social Services Portfolio to support service delivery and business review processes;
- Establishing a role for REFM in the City's Emergency Operations Centre (EOC). Through several events in 2015 — including the fire at Port Metro Vancouver in March, the Marathassa Oil Spill in April, the severe summer heat event and ensuing drought conditions, and the August windstorm that resulted in a prolonged citywide power outage — the department played a key role supporting EOC operations to address the issues that arose as a result of these events;
- Continuing the work of the Consolidated Facilities Services initiative; and,
- Completing a Service Level Agreement (SLA) with VFRS and commencing work on developing SLAs with two other departments: Engineering Services; and Community Services. These agreements will clarify roles and responsibilities and prioritize the delivery of services to those departments.

Corporate Security

Corporate Security continues expanding its service delivery to the entire organization, and has initiated a Threat Management Program in collaboration with Human Resources and other key stakeholders. The primary role of this program is to provide support in investigating, assessing and managing targeted violence risk within the City of Vancouver's operating environment.

Corporate Security has also created standardized installation and maintenance practices for security systems and technology to ensure that they are cost-efficient and maintained appropriately.

PLANS FOR 2016

Real Estate Services

Real Estate Services (RES) will continue providing real estate advisory and transactional support for various corporate initiatives, prioritizing Council objectives and market development transactions as opportunities arise. The department will also advise and support the settlement of Community Amenity Contributions and Heritage Revitalization Agreements.

RES will also continue proactively addressing issues and optimizing management of the Property Endowment Fund (PEF) Portfolio — including completing a strategic review and establishing target rates of return for portions of the PEF property portfolio.

Facilities Planning and Development

- In 2016, Facilities Planning and Development (FP&D) will continue supporting delivery of many civic projects (including those initiated through rezoning) in the context of the Long-Term Capital Outlook, implementing the City's Seismic Risk Assessment Program, and further developing and implementing the Universal Accessibility Program for all City facilities (with a particular focus on public facing buildings).
- FP&D will continue working to further reduce City leasing costs by optimizing City-owned assets and enhancing office spaces that will provide more functional, modern and comfortable spaces to City staff while yielding better value-for-money.
- FP&D will continue planning to deliver approximately 140 new facilities projects ranging from capital maintenance and replacement to renovations, additions, non-structural seismic upgrades and new buildings. These projects will include the Vancouver Art Gallery North Plaza redevelopment, Fire Hall No. 17, and Levels 8 and 9 at the Vancouver Public Library's Central Branch. Work will continue on major multi-year projects, including Fire Hall No. 5/Housing, Britannia Community Centre, Killarney Seniors' Centre (Southeast Vancouver) and Roddan Lodge replacement housing.
- Environmental Planning will:
    - Complete the Hazardous Materials Inventory Database in 2016;
    - Continue supporting the revised processes for facilities deconstruction practices to divert additional waste from the landfill, part of the City's ongoing Corporate Zero Waste Program; and,
    - Continue managing contaminated sites and hazardous materials and completing the database of City-owned contaminated sites, all to ensure regulatory compliance.
- The Energy Management Strategy Group will be developing more aggressive GHG reduction targets for 2020, since it has already exceeded the original reduction target of 20% since 2007. Work will continue on GHG reductions, with a focus on six key areas: Continuous Optimization Projects; Quickstart/Capital Maintenance Projects; new construction requirements; staff engagement; organizational potential (such as decommissioning of older inefficient buildings and infrastructures); and fuel sources review.

Facility Maintenance and Operations

As an integral part of ongoing business operations, FM&O will continue building on the culture of continuous improvement.

For 2016, key priorities include:

- Developing enhanced operational reporting from the Work Control Centre (which takes work requests, prioritizes them and issues work orders for proper tacking and service delivery) to improve the quality and monitoring of service delivery cost effectiveness;
- Expanding Work Control Centre intake to include Corporate Security requests; and,

- Developing a value-for-money business case to deploy enhanced mobile team dispatching and field reporting using an integrated corporate enterprise solution (i.e., more efficient mobile workforce management).

Corporate Security
For 2016, key priorities for Corporate Security include:

- Working collaboratively with Human Resources and other key stakeholders to develop and implement the Threat Risk Management Program;
- Establishing a consolidated quality assurance and oversight program for Building Fire Safety Plans; and,
- Operationalizing management and oversight of the consolidated security budget, and establishing service levels consistent with threat risk assessment methodology.

LOOKING AHEAD 2017-2020

Real Estate Services
For 2017-2020, Real Estate Services (RES) will continue providing real estate advisory and transactional support for various corporate initiatives, prioritizing Council objectives and market development transactions. RES will also focus on site acquisitions on an opportunistic basis to support major City initiatives. RES will continue providing advice and support for the settlement of Community Amenity Contributions and Heritage Revitalization Agreements. Furthermore, site preparation and planning for future redevelopment opportunities for City-owned development sites — such as the 2400 Motel on Kingsway Street, 688 Cambie, and the Granville Loops sites — will be progressed.

RES will continue proactively working to address issues and optimize management of the Property Endowment Fund (PEF) Portfolio — including implementing the PEF property optimization strategy currently being developed.

Facilities Planning and Development

- Over the next four years, Facilities Planning and Development (FP&D) will continue supporting delivery of many civic projects initiated through rezoning and the 2015-2018 Capital Plan, in a context of the Long-Term Capital Outlook, as well as focusing on the Seismic Risk Assessment Program and implementing the Universal Accessibility Program in all City facilities (with a particular focus on public facing buildings).
- Beginning in 2017, the department will support delivery of the next 2019-2022 Capital Plan, working collaboratively with other City departments and the community.
- FP&D will continue working on further reducing City lease costs by optimizing City-owned assets and enhancing office spaces that will provide more functional, modern and comfortable spaces to our staff while yielding better value-for-money.
- FP&D will continue delivering the 2015-2018 Capital Plan projects — approximately 500 new facilities projects, ranging from capital maintenance and replacement to renovations, additions, non-structural seismic upgrades and new buildings.

- Environmental Planning will continue managing all City-owned contaminated sites, hazardous materials, environmental emergency response and environmental regulatory processes, in addition to ensuring the City's regulatory compliance with environmental laws and regulations.
- The Energy Management Strategy Group will focus on delivering new more aggressive Greenhouse Gas reductions targets for 2020 by continuing work in six key areas: Continuous Optimization Projects; Quickstart/Capital Maintenance Projects; new construction requirements; staff engagement; organizational potential; and fuel sources review.

Facilities Maintenance and Operations

As an integral part of ongoing business operations, Facilities Maintenance and Operations (FM&O) will continue building on the culture of continuous improvement.

From 2017-2020, key objectives of the FM&O group will involve deploying technology to improve mobile trades dispatch efficiency, quality assurance, and field reporting.

The FM&O group will also undertake a review of the support required to respond to the growth in social housing inventory and PEF portfolios; expand the work control centre enterprise platform to include vendor field reports and mobile dispatch; integrate the solution into existing enterprise products; and review service delivery models for corporate security field support.

DEPARTMENT SERVICE METRICS

Over the past five years, the number of City-owned buildings has grown steadily. This stems from strategic property acquisitions and community amenity space contributions offered to the City as part of major new developments.

Since 2009, when the Crossroads building lease at West Broadway and Cambie Street was approved, leased office space and annual lease payments have been relatively stable.

With additional facilities joining the Corporate Zero Waste Program in 2015, the number of City facilities in the program increased from 95 (actual in 2014) to 103 in 2015. This has resulted in a total of more than 1,740 tonnes of waste being diverted from the landfill to date since the Corporate Zero Waste Program was implemented in September 2012.

Total greenhouse gas (GHG) emissions from City-used buildings in 2007 established the benchmark, relative to which current-day progress is measured; GHG emissions from City-used buildings are targeted to be reduced by 20% from 2007 levels by 2020. To date, GHG emissions have been reduced by 21% compared to 2007 levels, exceeding 2020 targets. Based on this success, in 2016 the department will develop more aggressive GHG reduction goals for 2020.

Service	Metric Type	COV Metric	2011	2012	2013	2014	2015F
Asset Management (Buildings and Property)	Quantity	# of City-owned buildings	480	492	493	495	558
		Area (sq. ft) of City-owned buildings (in millions)	7.98	8.39	8.31	8.32	10.52
		area (sq. ft) of office space the city leases	319,121	278,042	317,237	305,800	300,000
		Total lease payments on City leases	9.59	9.75	9.99	10.67	10.80
		Total # City facilities in Zero Waste Program	0	7	41	103	106
	Result	Total GHG emissions from City-used buildings , MT	22,042	20,757	18,607	16,929	16,815
		Average % waste diversion rate in City-used buildings w/ the Zero Waste Program	NDA	NDA	65.8%	75.7%	75.6%

SUSTAINABILITY GROUP

The Sustainability Group supports the City as a global leader in environmental sustainability, both in the community and through City operations. The group's scope includes accountability and leadership in all aspects of municipal environmental sustainability — throughout both municipal operations and the community.

The Sustainability Group leads development and implementation of the following Citywide strategies:

- Greenest City 2020 Action Plan
- Climate Change Adaptation Strategy
- Green Operations Plan
- Renewable City Strategy

KEY SERVICE DELIVERED

Sustainability Service
Provide advice, research and project leadership to support the City and community in achieving the sustainability goals set in the City's sustainability strategy — including the Greenest City 2020 Action Plan, Climate Change Adaptation Strategy, Green Operations Plan and Renewable City Strategy.

MAJOR ACCOMPLISHMENTS IN 2015

Greenest City 2020 Action Plan
The Sustainability Group is leading the successful delivery of the Greenest City 2020 Action Plan — a comprehensive strategy with a clear goal: to make Vancouver the greenest city in the world by 2020. With more than 160 related projects completed or underway, the strategy involves City staff from across the organization and stakeholders from every sector.

In 2015, the Sustainability Group's work included:

- **Green economy** — Supporting the Vancouver Economic Commission (VEC) in launching the second intake of the Green and Digital Demonstration Program; launching the Technology and Social Innovation Centre (a green business incubator); launching the Greening Business Platform (Thriving Vancouver);
- **Climate leadership** — Developing the City's 100% renewable energy strategy, Greenest City: A Renewable Future, following direction from Council, which enabled an overall reduction in community-wide greenhouse gas emissions (GHGs) of 8% over 2007 levels; working with the Vancouver Services Review team to articulate the City's opposition to twinning the Trans Mountain pipeline, also known as the Trans Mountain Expansion Project;
- **Green buildings** — Supporting the Chief Building Official in implementing the 2014 Vancouver Building Bylaw, which includes measures to reduce the estimated carbon

footprint of detached homes by 50% compared to those built to code in 2007; removing policy barriers to highly insulated buildings to encourage more homes to build to the Passive House standard (a rigorous standard for ultra-low energy buildings); launching the Heritage Home Retrofit Incentive and Smart Thermostat project pilots to test new tools for energy conservation in existing homes; and supporting energy savings in more than 850 rental apartment units through the Green Landlord Retrofit Program;

- **Zero waste** — Supporting implementation of regulations to promote recycling demolition materials from pre-1940 homes while encouraging deconstruction and material reuse; providing project support to achieve an 18% reduction in waste-to-landfill or incinerator over 2008 levels; and,
- **Clean air** — Completing electric-vehicle infrastructure program, resulting in the installation of 111 publicly accessible charging stations to foster use of clean-vehicle technologies; installing one fast charger, in partnership with the Vancouver Board of Parks and Recreation and BC Hydro, providing a complete electric vehicle charge in 30 minutes; developing policy for Council approval for a ban on coal shipments from industrial lands to reduce negative impacts on local air quality from harmful coal dust; contributing project support towards the achievement of a 100% reduction in air quality exceedances over 2008 levels.

Climate Change Adaptation Strategy

In 2015, the Sustainability Group continued organization-wide work to implement the City's Climate Change Adaptation Strategy to prepare the City and Vancouver residents for the inevitable impacts of climate change. For the first time since 2012, climate change impacts were updated by the Pacific Climate Impact Consortium so as to respond to new emissions scenarios published by the Intergovernmental Panel on Climate Change. In response the City has focused on:

- **Heavy rain events and stormwater management** — The Sustainability Group continued supporting Engineering Services in developing an Integrated Rainwater Management Plan. The group also worked with Engineering Services colleagues on a project to review Intensity-Duration-Frequency (IDF) curves, necessary for sewer design; historical curves are being updated and future projections made. Staff are devising improved communications related to heavy rain and property level actions;
- **Resilience to sea level rise** — In 2015, Phase 2 of the Coastal Flood Risk Assessment (CFRA) was completed and included a stakeholder review of potential adaptation options for 11 coastline areas. City staff continued working with other levels of government and municipal neighbours on regional flood resilience through the Lower Mainland Flood Management Strategy (currently coordinated by the Fraser Basin Council). Sustainability Group staff also coordinated with project leads of all coastline projects, such as the Georgia and Dunsmuir viaducts, False Creek Flats, and shoreline park planning, to ensure the latest information on sea level rise was incorporated. A Greenest City Scholar[14] explored options for public engagement on sea level rise which staff are reviewing for actionable next steps; and,
- **Preparing for heat** — Doctoral students at Simon Fraser University mapped surface temperature and heat-related health vulnerability indicators. When overlaid with

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[14] https://sustain.ubc.ca/get-involved/students/greenest-city-scholars

canopy cover mapping, this information can help identify priority areas for tree planting. Health Canada supported a study of potential options for cooling older multi-family buildings and the City, in partnership with BC Housing, is funding a pilot project to install a cooling parklet (a shaded area of refuge in an area with limited tree cover).

Green Operations Plan

The Sustainability Group continued coordinating organization-wide implementation of the Green Operations Plan, which includes realizing corporate initiatives and departmental action plans. The Sustainability Group also provided project support on specific green operations initiatives including: inventorying GHG emissions from City operations and facilities and creating offsets for these emissions to make civic operations carbon-neutral under the Province of British Columbia's framework; reducing the environmental impact of civic events and the City's vehicle fleet; and benchmarking energy use at civic facilities to support energy efficiency upgrades.

PLANS FOR 2016

Greenest City 2020 Action Plan

When the Greenest City 2020 Action Plan was approved by Council in 2011 it included high-priority actions for implementation by year-end 2014. With more than 80% of these complete, the Sustainability Group engaged City staff, thought leaders and the public in developing the next series of priorities. These were presented to Council for approval in 2015, for implementation before 2020.

Briefly, this includes initiatives in the following areas:

Climate and renewables — Continue implementing greenhouse gas reduction projects to support the Greenest City Action Plan goal of reducing community emissions by 33% by 2020; this includes continuing to collaborate with partners to convert two existing district energy systems to renewable energy and developing four new neighborhood energy systems.

Green transportation — Continue implementing the Transportation 2040 plan[15] and projects supporting Greenest City Action Plan goals of increasing trips made by foot, bike or transit while reducing overall distances driven by Vancouver residents. Key goals include:

- improving walking and cycling infrastructure on the False Creek bridges;
- making priority improvements throughout existing walking and cycling networks;
- implementing a bike-sharing program;
- extending the Millennium Line SkyTrain under the Broadway Corridor to Arbutus Street on Vancouver's west side, more commonly known as the Broadway Subway; and,
- realizing overall transit improvements.

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[15] http://vancouver.ca/streets-transportation/transportation-2040.aspx

Green buildings — Continue implementing projects supporting Greenest City Action Plan goals targeting decreased energy use in existing buildings and requiring new buildings from 2020 onwards to operate carbon-neutrally. Priority actions include:

- updating retrofit requirement options in Vancouver's Building Bylaw to further reduce energy use and GHG emissions;
- launching a green condominium program and expanding the rental building retrofit program called the Green Landlord Program;
- launching new home energy programs dedicated to efficiency empowerment and technology;
- requiring annual energy benchmarking and reporting for large residential and commercial buildings;
- developing a carbon-neutral strategy for new buildings;
- restructuring the City's Green Building Rezoning Policies to specifically target GHG emission reductions and introduce GHG emission targets for new buildings; and,
- updating minimum energy efficiency requirements for new buildings in the Vancouver Building Bylaw.

Zero waste — Continue implementing projects supporting the Greenest City Action Plan goal of reducing solid waste-to-landfill or incinerator. Priority actions include:

- increasing the overall diversion of organics by continuing to support expansion of food scraps recycling to all sectors, including supporting Metro Vancouver's 2015 disposal ban on organic materials to landfill and incinerator through education and enforcement;
- increasing the diversion of wood waste from landfill or incineration by expanding the Construction and Demolition (C&D) Waste Diversion Strategy (a strategy to increase reuse and recycling of C&D waste);
- reducing street litter and abandoned garbage in public spaces, including illegal dumping, and increasing the diversion of these materials through a comprehensive litter management strategy (including an expanded Keep Vancouver Spectacular program); and,
- supporting Metro Vancouver's Zero Waste Challenge by developing pan-sector education and enforcement strategies, with a focus on waste prevention and material reuse initiatives.

Access to nature — Continue implementing projects supporting the following Greenest City Action Plan goals of increasing the number of residents living near parks and greenways; increasing the number of trees planted; and restoring or enhancing natural space.

Priority actions include:

- completing the new park at Yukon Street and 17th Avenue;
- acquiring four hectares of park land at Cambie and the Fraser River;

- realizing a new park system in East Fraser Lands (EFL);
- strategically expanding city street and park tree planting, as well as on private property;
- creating a new inventory system for trees on City land;
- updating tree management plans, planting standards and best practices; and,
- developing policies and decision-making criteria to retain healthier, mature trees.

Clean water — Continue implementing projects supporting Greenest City Action Plan goals of providing Vancouverites with the highest quality drinking water and reducing water consumption. Priority actions include:

- ensuring testing from drinking water fountains is included in the City's routine Water Quality Monitoring Program;
- reducing institutional, commercial and industrial (ICI) water consumption through policy and compliance measures;
- reducing residential water consumption through incentives, education and compliance measures; and,
- reducing water system loss and civic use.

Local food — Continue implementing projects supporting the Greenest City Action Plan goal of increasing citywide and neighbourhood food assets. High-priority actions include:

- adopting and implementing urban farming policy to further enable commercial food production in the city;
- increasing the number of farmers' markets and community food markets;
- increasing the number of community garden plots and community kitchens, with an emphasis on encouraging broader participation by ethno-cultural groups; and,
- supporting the Greater Vancouver Food Bank Society in relocating to a new facility and incorporating components of a food hub as envisioned in the Vancouver Food Strategy[16] (a plan to create a sustainable food system for the city).

Clean air — Continue implementing projects supporting the Greenest City Action Plan goal of meeting or besting the most stringent regional, provincial and international air quality guidelines. Priority actions include:

- ensuring at least two permanent air quality stations are within city limits;
- developing an electric vehicle (EV) infrastructure strategy;
- investigating the opportunity to label gas pumps for their GHG and air quality impacts; and,
- working with Metro Vancouver to ensure air quality data and information is available for sources and locations across the city.

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[16] http://vancouver.ca/people-programs/vancouvers-food-strategy.aspx

Green economy — Continue supporting the Vancouver Economic Commission (VEC) in its work to increase the number of green jobs and businesses greening their operations. This includes supporting the VEC in:

- launching a clean technology business accelerator;
- growing the Green and Digital Demonstration Program (GDDP);
- transforming False Creek Flats into the greenest place to work, worldwide;
- developing a strategy and action plan to attract green investment capital;
- organizing and hosting targeted business trade missions, including leveraging large conferences and events; and,
- developing, launching and maintaining a greening businesses platform.

Lighter footprint — Continue implementing projects supporting the Greenest City Action Plan goal of reducing Vancouver's ecological footprint. Priority actions include:

- continuing or expanding Greenest City Grants and CityStudio Programs;
- developing a municipal sharing economy strategy;
- supporting a community of action; and,
- exploring how partnerships and connections to existing and emerging programs and infrastructure can reduce the ecological footprint of dietary choices and food waste.

Renewable City Strategy — Pending Council approval in late 2015, develop an implementation plan for the Renewable City Strategy, which sets direction for the City to ensure the city uses only renewable energy by 2050, as well as reduce community-wide GHG emissions by at least 80% over 2007 levels, by 2050. Under this strategy, Quickstart action items outlined will continue being implemented.

Climate Change Adaptation Strategy — New local climate variable projections will be available in early 2016. These will be presented widely across City departments with a check on strategy actions to ensure no immediate gaps.

Heavy rain events and stormwater management — Improved communication with respect to property level actions; implementation of the Integrated Rainwater Management Plan; dissemination of Intensity-Duration-Frequency (IDF) curve (the likelihood of heavy rainfall events) project outcomes and integration with design processes.

Resilience to sea level rise — Begin several priority feasibility projects of adaptation response measures in prioritized coastline areas.

Heat response plan — Engage the Extreme Heat Committee in reviewing potential actions to mitigate health risks due to hot weather; install and evaluate the "cooling parklet" pilot, and identify additional program locations.

Climate change and asset management — Continue building adaptive capacity across the organization.

Resilient buildings — Review potential changes to buildings that would improve flood, storm and heat resilience.

Green Operations Plan

In 2016, the Sustainability Group will continue overseeing implementation of the Green Operations Plan[17]; it encompasses the Corporate Carbon-Neutral Strategy and supporting implementation of the Corporate Energy Management Strategy, Corporate Waste Strategy, Green IT plan and Fleet Management Plan. The Sustainability Group will also continue monitoring and tracking implementation of other aspects of the Green Operations Plan, including departmental action in Engineering Services, the Vancouver Board of Parks and Recreation, civic theatres, Vancouver Fire and Rescue Services and the Vancouver Police Department.

LOOKING AHEAD, 2017-2020

Greenest City Action Plan

Revised Greenest City Action Plan priority actions approved by Council in 2015 (see *Plans for 2016* section) will be executed through 2020.

Renewable City Strategy

Continue implementing actionable items under this strategy (pending Council approval in late 2015).

Climate Change Adaptation Strategy

This strategy includes a five-year review cycle to evaluate progress and capture any emerging science or gaps in impacts and actions, with a review scheduled for 2017. Action implementation will continue.

Green Operations Plan

Priority actions for 2017-2020 will continue building on Green Operation plans developed for each corporate initiative: fleet management, building energy management, green IT, and waste management. Departmental actions include reducing waste, reducing vehicle use and sustainable and ethical purchasing.

DEPARTMENT SERVICE METRICS

The City's sustainability service indicators continue to improve as Greenest City Action Plan-related projects are completed (more than 100 since 2011) and new ones are launched. Moving forward, we anticipate continued progress across all 10 Greenest City goals.

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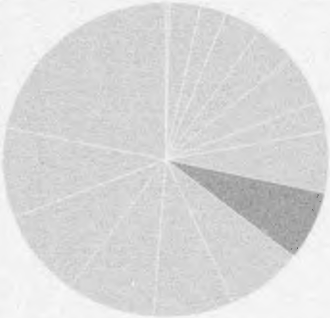
[17] http://vancouver.ca/green-vancouver/how-we-are-greening-city-operations.aspx

Dept	Service	Metric Type	CoV Metric	2011	2012	2013	2014	2015F
Greenest City Action Plan: Climate Leadership Goal								
Engineering	Neighbourhood Energy Utility	Result	GHG reductions (tonnes CO2 equivalents) from all neighbourhood energy systems in Vancouver	1,471	2,407	2,529	2,866	2950
	Transfers and Landfill	Quality	% of landfill gas collected	40%	52%	60%	60%	65%
City Managers Office	Sustainability	Result	Total tonnes of community CO2e emissions from Vancouver *	2,875,000	2,690,000	2,625,000	2,610,000	2,500,000
Greenest City Action Plan: Green Building Goal								
City Managers Office	Sustainability	Result	Tonnes of CO_2e from all residential and commercial buildings in Vancouver *	1,170,000	1,115,000	1,105,000	1,085,000	1,060,000
Greenest City Action Plan: Green Transportation Goal								
Engineering	Transportation and Planning	Quantity	Mode split (walk, bike, transit, private vehicle) (collected by TransLink)	44%	NDA	48%	50%	50%
Greenest City Action Plan: Zero Waste Goal								
Engineering	Solid Waste Utility	Result	Community: All annual solid waste disposed to landfill or incinerator from Vancouver	428,400	424,000	NDA	NDA	NDA
Greenest City Action Plan: Access to Nature Goal								
Parks	Parks and Natural Areas	Quantity	% of city's land base within a 5 min walk to a green space (TBC)	92.6%	92.6%	92.7%	92.7%	92.7%
		Quantity	Total number of trees planted per year	3,529	6,386	7,611	11,960	11,000
		Quality	Per cent of canopy cover of city-land base	NDA	17.0%	17.8%	18.0%	18.1%
Greenest City Action Plan: Clean Water Goal								
Engineering	Waterworks Utility	Quality	% of samples with turbidity within Health Canada acceptable range	98.7%	98.7%	98.6%	99.4%	99.5%
		Result	Water consumed per capita (litres) - Total	486	491	471	490	500
Greenest City Action Plan: Clean Air Goal								
City Managers Office	Sustainability	Result	Total # of exceedances of air quality standards for ozone, particulate matter (PM 2.5), nitrogen dioxide, and sulfur dioxide from both the Kits and Downtown stations combined.	NDA	16	0	0	NDA

Dept	Service	Metric Type	CoV Metric	2011	2012	2013	2014	2015F
Greenest City Action Plan: Local Food Goal								
Community Services	Food Policy	Result	Cummulative # of new community garden plots since baseline year	3,675	4,021	4,166	4,398	4,450
		Result	Total # of farmers markets	9	10	11	11	13
		Result	Total # of neighbourhood food networks	9	11	10	10	10
Greenest City Action Plan: Green Economy Goal								
Vancouver Economic Commission		Result	Total number of green jobs	17,545	18,715	19,929	20,447	20,980
Corporate Green Operations Plan								
City Managers Office	Sustainability	Result	Total tonnes of CO_2e emissions from City of Vancouver municipal operations *	571,383	436,713	376,656	373,195	370,000
Engineering	Equipment Services	Result	Total tonnes of City of Vancouver fleet CO_2e emissions	16,832	16,127	16,000	15,869	15,200
Real Estate and Facilities Management	Facilities Design and Management	Result	Total GHG emissions from City used buildings	22,042	20,757	18,607	16,929	16,815
Real Estate and Facilities Management	Facilities Design and Management	Result	Average percent waste diversion rate in City used buildings with the implemented Zero Waste program	NDA		65.8%	75.7%	75.6%
Sustainability Group Specific								
City Managers Office	Sustainability	Quality	$ leveraged per $ budget received	$1.70	$1.16	$1.20	$0.72	$0.90

2016 BUDGET



Corporate Support makes up 7% of the 2016 Operating Budget

Year-over-Year Budget Changes

Major Category ($000)	2015 Restated Budget	2016 Proposed Budget	Net Change ($)	Net Change (%)
Revenues				
Parking revenue				
Other parking revenue	325	325	-	-
Total Parking revenue	**325**	**325**	**-**	**-**
Cost recoveries, grants & donations				
Sustainability recoveries	1,150	1,050	(100)	(8.7%)
Other department recoveries	803	803	-	-
Total Cost recoveries, grants & donations	**1,953**	**1,853**	**(100)**	**(5.1%)**
Other revenue				
Other department revenue	474	474	0	0.0%
Total Other revenue	**474**	**474**	**0**	**0.0%**
Total Revenues	$ 2,751	$ 2,652	$ (100)	(3.6%)
Expenditures & Transfers				
Real Estate & Facilities Management				
Real Estate & Facility planning & development	7,037	7,320	283	4.0%
Facility operations	36,691	37,620	928	2.5%
Shared support services	(26,057)	(26,817)	(761)	2.9%
Transfers to / (from) reserves & other funds	4,107	4,121	14	0.3%
Subtotal Real Estate & Facilities Management	**21,779**	**22,243**	**464**	**2.1%**
Finance, Risk & Business Planning				
Finance & Supply Chain Management	22,397	23,191	793	3.5%
Shared support services	(8,202)	(8,244)	(42)	0.5%
Transfers to / (from) reserves & other funds	6	6	(0)	(0.0%)
Subtotal Finance, Risk & Business Planning	**14,201**	**14,952**	**751**	**5.3%**
Digital Services & IT				
Information Technology	27,394	28,650	1,256	4.6%
Digital Services	1,099	1,100	1	0.1%
Shared support services	(4,642)	(4,642)	-	-
Transfers to / (from) reserves & other funds	869	869	-	-
Subtotal Digital Services & IT	**24,720**	**25,977**	**1,258**	**5.1%**
Sustainability				
Expenditures	3,830	4,489	659	17.2%
Transfers to / (from) reserves & other funds	(431)	(1,153)	(722)	167.5%
Subtotal Sustainability	**3,399**	**3,336**	**(64)**	**(1.9%)**
Other support services				
Human Resources	9,691	9,837	146	1.5%
City Manager's Office	3,506	3,797	292	8.3%
Legal Services	5,096	5,084	(12)	(0.2%)
3-1-1 Contact Centre	5,335	5,368	33	0.6%
City Clerk	3,328	3,329	1	0.0%
Communications & Engagement	1,613	1,792	179	11.1%
Emergency Management	1,230	1,459	229	18.7%
Shared support services	(7,085)	(7,115)	(30)	0.4%
Transfers to / (from) reserves & other funds	1	1	-	-
Subtotal Other support services	**22,714**	**23,552**	**838**	**3.7%**
Total Expenditures & Transfers	$ 86,812	$ 90,060	$ 3,248	3.7%
Net Operating Budget	$ (84,061)	$ (87,408)	$ (3,348)	4.0%

Note: Totals may not add due to rounding

Explanation of Changes — Revenues

The Corporate Support Services group receives revenue from various streams including:

- parking revenues from the Museum of Vancouver and HR MacMillan Space Centre (the planetarium) and the Mount Pleasant Community Centre;
- surplus asset sales;
- insurance proceeds related to sick-pay costs; and,
- the Tactical Training Centre.

Corporate Support revenues have remained relatively stable. For 2016, there is a reduction in cost recoveries and external sustainability grants of $0.1 million. This is due to a reduction in externally funded projects compared to 2015.

Explanation of Changes — Expenses

The 2016 budget reflects fixed cost increases for software maintenance, network security, hydro, and rent and lease expenses. Offsetting these cost increases is an increase in costs being allocated to capital for legal, supply chain and warehousing support, and to other departments for increasing costs to cover items including rent and leases, security, hydro and natural gas.

To provide continued support for key Council priorities, departments within Corporate Support have seen investments to: support the Vancouver Volunteer Corps ($0.2 million) and the Engaged City Taskforce ($0.1 million); enhance the City's relationship and partnerships with Aboriginal communities; and provide process improvements in areas such as electronic payments and receipts. The information technology (IT) area includes additional sustainment resources that support delivery of new online systems for permits, as well as major applications such as ActiveNet, the Park Board's new recreation registration system.

To offset fixed cost increases and strategic investments, adjustments to Corporate Support budgets reflect changes to business processes, increased contract management, enhanced use of technology, management of vacancies and reduced natural gas costs.

Notable Capital Projects

The following table summarizes some of the noteworthy projects involving Corporate Support Services, or that will begin in 2016. A complete list of all capital projects for 2016 is included in the Appendixes to the Council Report.

Project Name ($ millions)	Total Project Budget	Forecast 2015 Expenditure	2016 Annual Expenditure Budget	Future Years**
Human Resources, Digital Strategy, and Information Technology:				
• Permit and Licence Transformation Program*	26.0	5.9	3.5	0.0
• Legal Services Transformation	2.3	0.8	1.0	0.0
• Fleet Management Software Solution	4.0	0.1	2.4	1.4
• Fleet GPS	1.5	0.1	0.5	0.9
• Vancouver Fire & Rescue Services Scheduling System Assessment	1.2	0.1	0.8	0.3
Real Estate and Facilities Management:				
• Replacement of Firehall No. 5	19.1	1.1	5.0	12.1
• Southeast Vancouver (Killarney) Seniors Centre	7.5	0.3	2.5	4.6
• Seismic Upgrades**	5.0	0.3	3.8	1.6
• Vancouver Art Gallery Plaza - Envelope	9.1	1.6	4.6	2.3
Climate Change Adaptation Strategy*	N/A	0.1	0.2	

* Includes completed phase for Online Services Implementation.

** Includes City Hall West Annex Seismic Upgrades and Deconstruction of City Hall East Wing.

INFORMATION TECHNOLOGY SERVICES

Five major multi-year technology capital projects will be priority projects in 2016:

- **Permits and Licensing Transformation Project** — The Permits and Licensing Transformation Project was initiated in March 2010 in response to City Council's directive to review the City's business, service delivery practices and general operations. The initiative's main purpose is to achieve improved service delivery and a better customer experience by transforming the process of submitting, tracking, reviewing and issuing all permits and licences Citywide through enhanced business processes and a new technology platform. This includes bringing business processes in line with best practices as well as updating and integrating current technology. Estimated project completion: 2016.
- **Legal Services Transformation** — This project was initiated in 2015 and entails replacing the legacy matter management system (Lotus Notes) and document management system (PC Docs) used by Legal Services. Through this project, the City is moving to best practices for legal information management. Estimated project completion: 2016.
- **Fleet Management Software Solution** — Through 2016 and 2017, the City will procure and implement a new Fleet Management Software solution to improve how the City manages and maintains its vehicles and equipment.
- **Fleet GPS** — Implementing modern GPS technology will allow the City to continue effectively managing and tracking City vehicles by providing data on vehicle movement and use of associated equipment.
- **VFRS Scheduling System** — Implement an electronic scheduling solution to improve Vancouver Fire and Rescue Services staff scheduling; it will replace a manual process incorporating multiple systems to schedule 800 firefighters on four shifts at 20 fire halls. The scheduling process is complex as it requires firefighters with different ranks, qualifications and specialty skills to ensure appropriately trained staff are assigned to specific apparatus. Implementing an electronic scheduling solution will create efficiencies while modernizing the process.

REAL ESTATE AND FACILITIES MANAGEMENT

- **Replacement of Fire Hall No. 5** — Real Estate and Facilities Management will facilitate design and renovation of Fire Hall No. 5, taking it from the existing three-bay layout and adding four storeys to provide supportive housing. Rezoning and development permit application and contract documents were completed in 2015, with construction planned for 2016–2017.
- **Killarney Seniors Centre (Southeast Vancouver)** — This project involves the design and construction of a new seniors' centre, an important addition to the existing Killarney Community Centre footprint.
- **Seismic upgrades** — This project involves voluntary seismic upgrade (design and construction) of City Hall's West Annex (the Development and Building Services building) at 515 West 10th Avenue. Construction is planned for 2016.
- **Vancouver Art Gallery North Plaza** — The first phase of this project, with 2015 completion, involved design, preparation of tender documents, tender and

construction to restore waterproofing to the underground portion of the gallery. Phase 2 will see construction begin in 2016, with anticipated 2017 completion.

Budget Trend

Major Category ($000)	2012 Approved Budget	2013 Approved Budget	2014 Approved Budget	2015 Restated Budget	2016 Proposed Budget
Revenues					
Parking revenue					
Other parking revenue	550	444	444	325	325
Total Parking revenue	**550**	**444**	**444**	**325**	**325**
Cost recoveries, grants & donations					
Sustainability recoveries	2,186	2,186	1,800	1,150	1,050
Other department recoveries	633	706	624	803	803
Total Cost recoveries, grants & donations	**2,819**	**2,892**	**2,424**	**1,953**	**1,853**
Other revenue					
Other department revenue	1,139	498	469	474	474
Total Other revenue	**1,139**	**498**	**469**	**474**	**474**
Total Revenues	$ 4,508	$ 3,833	$ 3,337	$ 2,751	$ 2,652
Expenditures & Transfers					
Real Estate & Facilities Management					
Real Estate & Facility planning & development	4,749	4,499	4,478	7,037	7,320
Facility operations	32,300	28,672	30,785	36,691	37,620
Shared support services	(1,055)	(1,055)	(1,055)	(26,057)	(26,817)
Transfers to / (from) reserves & other funds	587	4,207	4,386	4,107	4,121
Subtotal Real Estate & Facilities Management	**36,581**	**36,322**	**38,593**	**21,779**	**22,243**
Finance, Risk & Business Planning					
Finance & Supply Chain Management	14,388	16,283	16,093	22,397	23,191
Shared support services	(1,873)	(1,867)	(1,948)	(8,202)	(8,244)
Transfers to / (from) reserves & other funds	8	(694)	6	6	6
Subtotal Finance, Risk & Business Planning	**12,522**	**13,721**	**14,150**	**14,201**	**14,952**
Digital Services & IT					
Information Technology	25,056	25,371	25,563	27,394	28,650
Digital Services	-	-	-	1,099	1,100
Shared support services	(1,683)	(1,683)	(1,683)	(4,642)	(4,642)
Transfers to / (from) reserves & other funds	841	869	869	869	869
Subtotal Digital Services & IT	**24,214**	**24,558**	**24,750**	**24,720**	**25,977**
Sustainability					
Expenditures	4,536	4,513	3,696	3,830	4,489
Transfers to / (from) reserves & other funds	(281)	(281)	-	(431)	(1,153)
Subtotal Sustainability	**4,255**	**4,232**	**3,696**	**3,399**	**3,336**
Other support services					
Human Resources	9,338	9,594	10,812	9,691	9,837
City Manager's Office	3,449	3,254	3,466	3,506	3,797
Legal Services	5,029	5,266	5,834	5,096	5,084
3-1-1 Contact Centre	4,320	4,356	4,653	5,335	5,368
City Clerk	3,184	3,185	5,354	3,328	3,329
Communications & Engagement	1,633	1,616	1,945	1,613	1,792
Emergency Management	785	749	1,100	1,230	1,459
Shared support services	(350)	(649)	(671)	(7,085)	(7,115)
Transfers to / (from) reserves & other funds	3	3	3	1	1
Subtotal Other support services	**27,391**	**27,374**	**32,496**	**22,714**	**23,552**
Total Expenditures & Transfers	$ 104,963	$ 106,208	$ 113,684	$ 86,812	$ 90,060
Net Operating Budget	$ (100,456)	$ (102,374)	$ (110,347)	$ (84,061)	$ (87,408)

Capital Budget ($ million)	$ 78.0	$ 72.2	$ 66.6	$ 72.3	$ 92.8

Note: Totals may not add due to rounding

Explanation of Changes — Revenues

From 2012 to 2013, Corporate Support revenues decreased by $0.7 million. This was due to a realignment of gross revenues and expenses within Real Estate and Facilities Management that was matched by the same amount of reduced expenditure.

In 2015, Corporate Support revenues decreased by $0.1 million, due mainly to a decrease in parking revenues.

Revenues for the Sustainability Group consist of external funding for projects and initiatives. In any given year, changes in the level of externally funded projects account for annual changes in revenues. For 2016, there is a reduction in the level of cost recoveries and external sustainability grants of $0.1 million. This is due to a reduction in externally funded projects compared to 2015.

Explanation of Changes — Expenses

Changes in the department's operating budget are largely due to collective agreement wage increases and benefits, along with fixed cost increases for hydro, software maintenance, network security, and rent and lease expenses.

In 2011 and 2014, municipal election years, $2.0 million in funding was provided in the City Clerk's budget from the Election reserve. This funding was added to the City Clerk's budget in those years to run Vancouver-wide elections held in November.

In 2014, Digital Services was created as a new group within the City. In its first year, the Digital Services budget was included within Human Resources. However, in 2015, the Digital Services budget was separated out and is shown as such.

The budget trend also reflects the continued evolution to shared services, with staff and budgets in previously decentralized work groups moving to Citywide groups led organization-wide for consolidated Information Technology (IT), Supply Chain Management, Finance, Facilities Operations and Planning, Corporate Security, Warehousing, 3-1-1, Digital Services and Human Resources (HR).

Starting in 2014, the City changed its method of allocating shared support service costs. The large change in costs allocated from the Corporate Support group to service groups is reflected in the budgets since 2014. This increase reflects allocated costs for Finance, HR, IT, and building operations costs including leases and rents, security, hydro and gas.

Employee Trend Table

Corporate Support	2011	2012	2013	2014	2015F
Regular Full-Time Staff	805.2	825.2	870.2	914.2	944.8
All Staff (including Part-time, Temporary and Auxiliary) Full-Time Equivalents*	904.6	933.3	969.2	1,128.4	1,161.8

*excluding overtime

The employee trend reflects the continued evolution to shared services, with staff in previously decentralized work groups moving to Citywide groups led organization-wide. Within the Corporate Support Services area, fluctuations in regular full-time staff reflect the consolidation of IT, Supply Chain Management, Finance, Facilities Operations and Planning, Corporate Security, Warehousing, HR, 3-1-1, and Web Operations.

APPENDIXES

CITY OF
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